2002

Ontario

Economic Outlook and Fiscal Review

Growth, Prosperity and Continued Opportunity

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Minister of Finance

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Introduction

In 2001, the Ontario economy faced a severe test. The impact of the slowdown in the world economy was compounded by the terrorist attacks of September 11, which disrupted our borders and jarred investor and consumer confidence.

This year, Ontario's economy has recovered well. Economic growth and job creation are the fastest among major industrialized countries. The policies implemented since 1995 have contributed to this rebound by reinforcing the underlying strengths of Ontario's economy.

Since 1995, the Government of Ontario has supported economic growth by cutting taxes, balancing the budget, paying down public debt, investing in infrastructure and innovation, delivering public services more efficiently, and reducing red tape to remove barriers to private-sector investment and job creation. These policies have paid off for the people of Ontario and contributed to the healthy outlook for our economy.

As in previous years, this document examines Ontario's current economic performance and prospects and discusses the fiscal setting. Private-sector forecasters now anticipate that the Ontario economy will grow by 3.5 per cent both this year and next. They expect Ontario's economy, once again, to grow more rapidly than any of the G-7 nations.

With a surplus of $375 million in 2001-02, Ontario recorded its third straight balanced budget. The Province's net debt has been reduced by $4.5 billion prior to the provisional adjustment for the Canada Customs and Revenue Agency error and accounting changes. This year, Ontario is on track to record a fourth balanced budget.

Section A of this document discusses Ontario's Economic Performance: Growth, Jobs and Prosperity. Section B describes Ontario's Economic Outlook. Section C presents Ontario's Fiscal Plan. Data Tables at the end of the document provide detailed information on all aspects of the Ontario economy.

A: Ontario's Economic Performance: Growth, Jobs and Prosperity

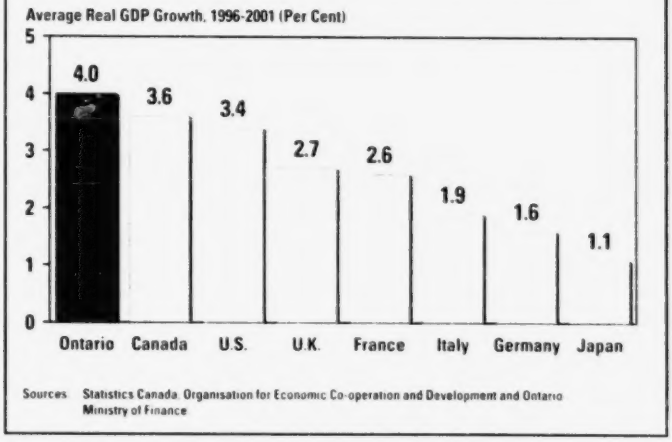
Ontario Leads Economic Growth

The Ontario economy is rebounding from the setback in 2001, when real growth slowed to 1.5 per cent. Ontario was not alone last year as all G-7 industrial countries experienced a marked slowdown in real growth.

In the face of turbulent economic times, however, Ontario's sound policies have supported a return to stronger economic growth. Real Gross Domestic Product (GDP) increased by 1.1 per cent (4.4 per cent annualized) in the second quarter of 2002, following a strong first-quarter advance of 1.8 per cent (7.6 per cent annualized). In 2002, Ontario auto sales have risen 8.5 per cent from the same period a year earlier, while home resales have grown 12.8 per cent. Since December 2001, Ontario has added almost 170,000 net new jobs.

The same policies have helped Ontario to prosper over the years since 1995. During the 1996-2001 period, Ontario's real GDP grew by 26.6 per cent, an average of 4.0 per cent per year. This was a dramatic turnaround from the stagnation of the early 1990s. Since 1995, Ontario's growth has been much stronger than that of any G-7 nation and also faster than the growth of any other provincial economy.

Economic Growth: Ontario and the G-7

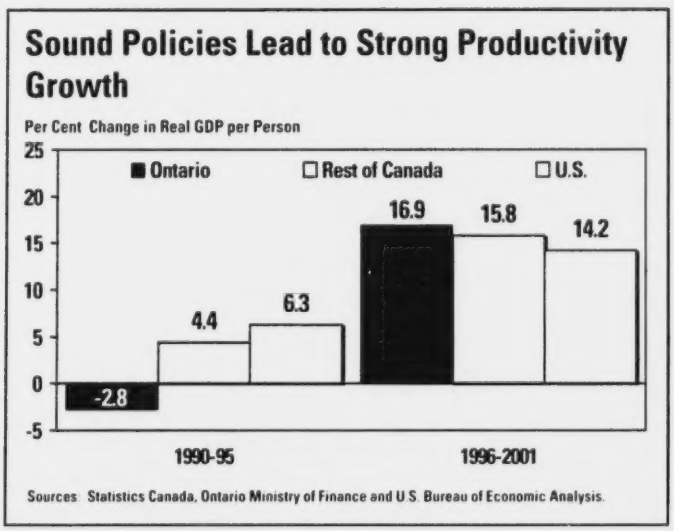


Sources: Statistics Canada, Organisation for Economic Co-operation and Development and Ontario Ministry of Finance

- Strong domestic demand, supported by tax cuts and job creation, has been the main ingredient of Ontario's strong economic growth. Over the 1996-2001 period, consumer spending, accounting for 50.6 per cent of Ontario growth, and business investment, accounting for 18.5 per cent of growth, have played the leading roles.
- Policies supporting a positive business climate also helped Ontario producers compete on the international stage. Ontario's international and interprovincial trade performed impressively over the last six years. Real exports have increased by 38.5 per cent, while imports have grown by 35.0 per cent.

Productivity Growth: Ontario Goes From Worst to First

Rising productivity is the only enduring way to achieve an improving standard of living. The broadest measure of an economy's productivity is the growth in real GDP per capita. Since 1995, Ontario's GDP per capita growth has exceeded that of the rest of Canada, the United States and the average of the industrialized countries. Ontario's rising productivity and strong job creation since 1995 reflect the benefits of reducing taxes and creating an environment conducive to investment.



- International economic studies show that cutting taxes on personal and business income leads to significant increases in long-run productivity growth.

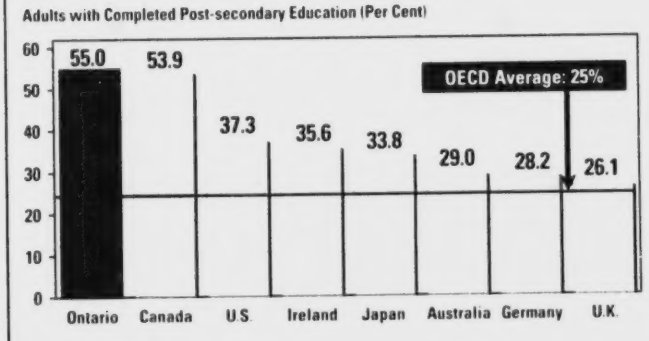
- Cutting income taxes invigorates an economy. It gives both entrepreneurs and employees the incentive to try harder to achieve success and earn higher incomes because they will be able to keep a larger part of what they earn. Lowering business taxes also leads to increased investment, higher productivity and higher incomes for Ontario workers.
- Productivity gains also result from investment in equipment, technology and knowledge; from innovation that creates new products and new ways of working; and from an agile industry that continually seeks the best opportunities. These are the hallmarks of Ontario's economy.

Skilled Workforce an Advantage for Ontario

A skilled workforce is also critical to raising productivity and creating growth. Ontario's highly educated workforce provides a strong skills base for the province's industries. In recent years, about 90 per cent of net new jobs have gone to those with higher education.

- Ontarians know the value of education. At 55 per cent, Ontario tops all countries in the Organisation for Economic Co-operation and Development (OECD) with the highest share of adults with completed post-secondary education. This measure includes university and college credentials and college-based apprenticeship and training. Ontario's rate of educational attainment is more than double the OECD average of 25 per cent. Ontario ranks first in college credentials and third in university credentials, surpassed by only the United States and Norway in the latter category.

Adult* Post-Secondary Educational Attainment, Ontario and OECD, 2001



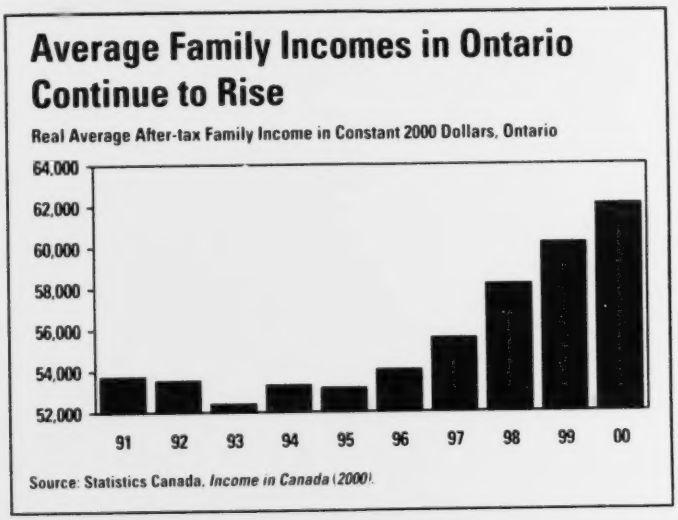
*Adults aged 25-64.
Sources: OECD, *Education at a Glance (2002)* and Statistics Canada, custom tabulations for Ontario.

The government has made significant investments in education and skills training that will establish Ontario as a leader in preparing its young people for the future:

- An additional $368 million in post-secondary operating grants by 2003-04 will ensure that every willing and qualified student in the double cohort will be able to attend college or university.
- The Ontario SuperBuild Corporation and its partners are investing $2.2 billion to expand and modernize college and university facilities, creating more than 79,000 new spaces for students. This is the largest capital investment in post-secondary education since the 1960s.
- New commitments of over $120 million to expand the apprenticeship training system, including doubling the entrants to apprenticeship, connecting more young people and those trained outside of Canada to careers in the skilled trades, and modernizing classroom equipment. These investments will help prevent serious skills shortages.

Family Incomes Continue to Rise

Improved productivity is reflected in the upward trend in family incomes. Coupled with strong growth in employment and investment earnings, incomes for Ontario families have risen steeply since 1995. Furthermore, tax cuts have enabled families to keep more of this income. Since 1995, real average after-tax family income has increased by nearly 17 per cent to reach a high of $62,062 in 2000, the latest data available.



The growth in family incomes has been spread across different types of families and income groups:

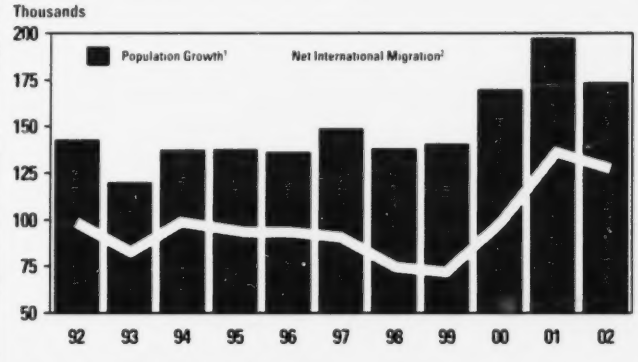
- Two-parent families with children saw their real average after-tax income increase from $57,672 in 1995 to $68,707 in 2000, a 19 per cent increase.
- Single-parent families saw their real average after-tax income rise from $26,568 in 1995 to $35,272 in 2000, a 33 per cent increase.
- All family income quintiles saw growth between 1995 and 2000, ranging from 9 to 22 per cent.

Strong job growth since 2001 is likely to have led to further real increases in incomes for Ontario families.

Strong Population Growth

Ontario continues to attract new residents. In 2002, Ontario's population reached 12.1 million, up 1.5 per cent from the previous year. This followed even stronger population growth of 1.7 per cent in 2001. In comparison, population growth averaged 1.3 per cent annually over the 1990s. Above-average population growth over the past two years was attributable to record levels of immigration to Ontario.

Annual Population Growth, Ontario



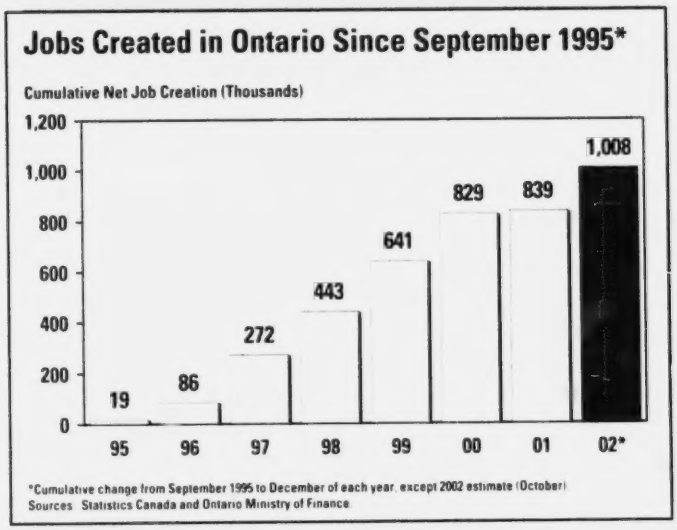
1 Population growth is over Census year, July 1 - June 30
2 Net International Migration = Immigration minus Net Emigration plus Net Change in Non-Permanent Residents
Source: Statistics Canada

- Immigration totalled nearly 153,000 in Census year 2001-02. This followed a similarly high level of 150,000 immigrants to Ontario in 2000-01, significantly above the average annual level of 118,000 during the 1990s.
- Immigration also contributed to strong population growth in the Greater Toronto Area (GTA). In 2002, the GTA's population was nearly 5.5 million, a 14.1 per cent increase over 1996. The GTA accounted for 45 per cent of the province's population in 2002 but nearly 70 per cent of Ontario's population growth over the 1996-2002 period.

Ontario is highly urbanized with 49 per cent of Ontarians living in cities of over 500,000 people. According to the 2001 Census, 78.5 per cent of Ontarians lived in an urban area with a population of 10,000 or more, up from 76.5 per cent in 1996. Ontario's rural population declined slightly between 1996 and 2001, falling about 50,000 to reach 1.7 million or 15.3 per cent of the population in 2001.

Strong and Broadly Based Job Creation

Job creation continues to benefit from sound policies that foster a healthy business climate. Since September 1995, the Ontario economy has generated over a million net new jobs, accounting for 46.5 per cent of the national job gain. In the face of economic challenges, just over 9,000 jobs were created between December 2000 and December 2001. Since then almost 170,000 net new jobs have been created.



Job prospects have improved right across the economy. Men, women and youth have all benefited.

- Ontario's youth gained 115,300 net new jobs during the 1998-2001 period, more than in any other four-year period on record. The youth unemployment rate has fallen by almost four percentage points since 1997, from 16.4 per cent to 12.5 per cent in 2001. In 2002, youth have posted positive job growth, gaining 20,100 net new jobs in the third quarter, the largest quarterly advance in four years.

Job Growth Across Ontario's Regions

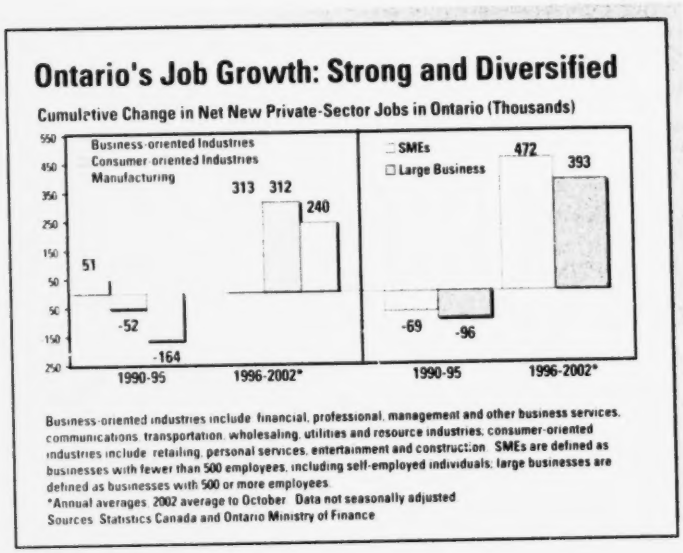
Since September 1995, all regional economies in Ontario have benefited from the province's strong job growth performance.

- Since September 1995, Ontario's two largest regional economies—the GTA with 45 per cent of Ontario employment, and Central Ontario with 23 per cent of employment—created roughly 527,900 and 221,800 net new jobs respectively.
- Also since September 1995, Ontario's Eastern and Southwestern regions—each with about 13 per cent of provincial employment—created roughly 135,200 and 91,600 net new jobs respectively. Northern Ontario (with over six per cent of employment) created roughly 16,200 net new jobs.
- Over the past 12 months, employment has increased in all five of Ontario's regional economies: 33,500 net new jobs in Eastern Ontario; 40,200 in Central Ontario; 54,400 in the GTA; 16,800 in Southwestern Ontario; and 12,600 in Northern Ontario.
- The government intends to create tax-incentive zones for communities experiencing challenges in attracting investment and jobs. Tax incentives would encourage businesses to invest, relocate or expand in these communities and give young people the opportunity to live, work, raise a family and give back to the communities where they grew up.

- The government has invited communities to come forward with proposals to host one of six tax-incentive zone pilot projects. The government will be looking to test a variety of proposals in different areas across the province in order to identify the conditions necessary to support sound business investments and job creation.

Strong Job Growth Across Business Sizes and Sectors

Ontario's economic policies are helping businesses of all sizes, in many industries, to grow and create jobs.

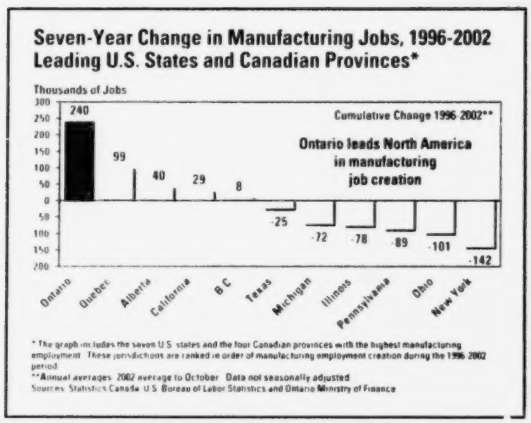


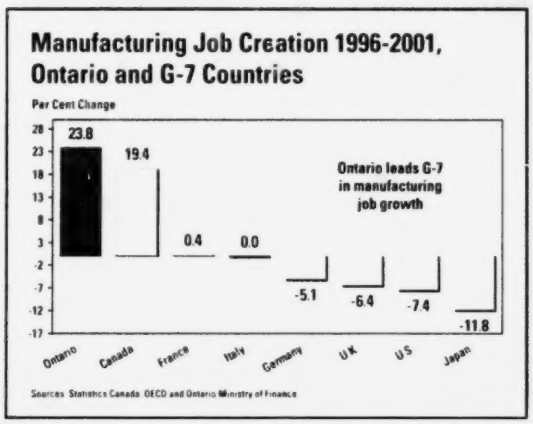
- Job creation has been broadly based during the 1996-2002 period, with robust business activity supporting the creation of 313,000 jobs in business-oriented industries such as professional services, and strong consumer spending supporting job growth of 312,000 in consumer-oriented industries such as retail trade and construction. Ontario continued to lead the North American manufacturing economy, creating 240,000 net new manufacturing jobs.
- Small and medium-sized enterprises (SMEs) continued to display their confidence in Ontario's approach to economic policy, adding 472,000 new jobs during the 1996-2002 period. SME job creation accounted for 55 per cent of Ontario's private-sector total.

Ontario Manufacturing—Job Growth Leader in North America

The improved business environment is notable for Ontario's manufacturing sector. Ontario has a highly competitive and diverse manufacturing sector. The 240,000 net new jobs created over the 1996-2002 period were 57 per cent of Canada's total and more than any other province or any U.S. state. In comparison, all of the other G-7 countries except France lost manufacturing jobs during the 1996-2001 period.

- Ontario manufacturing job growth over the 1996-2002 period was spread across many industries, including auto parts (+52,000 jobs); computer and electronic equipment (+26,000 jobs); machinery (+24,000 jobs); and furniture (+22,000 jobs).
- Half of the manufacturing job growth between 1998 and 2002 has been by small and medium-sized manufacturers.
- In the past 12 months, Ontario has continued to lead all Canadian provinces and U.S. states, with a gain of 73,000 net new manufacturing jobs. U.S. manufacturing lost close to 700,000 jobs over the same period.

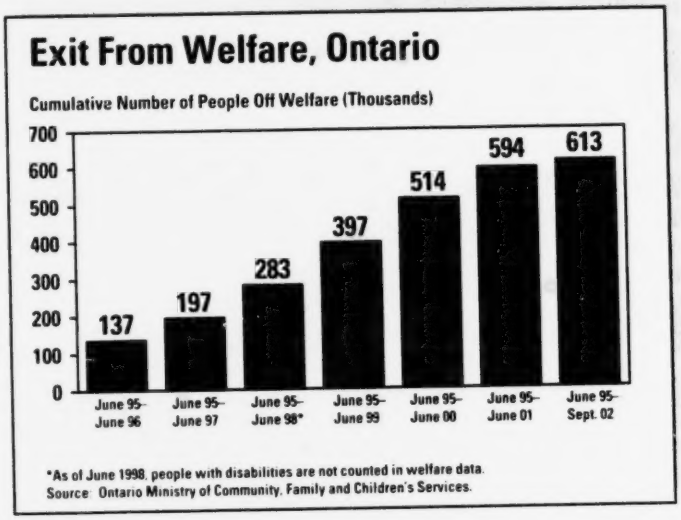




Exit From Welfare Continues

Strong job growth, coupled with welfare reforms, has driven Ontario's success in lowering welfare dependence every year since June 1995. As of September 2002, 613,193 fewer adults and children were on the Provincial welfare rolls.

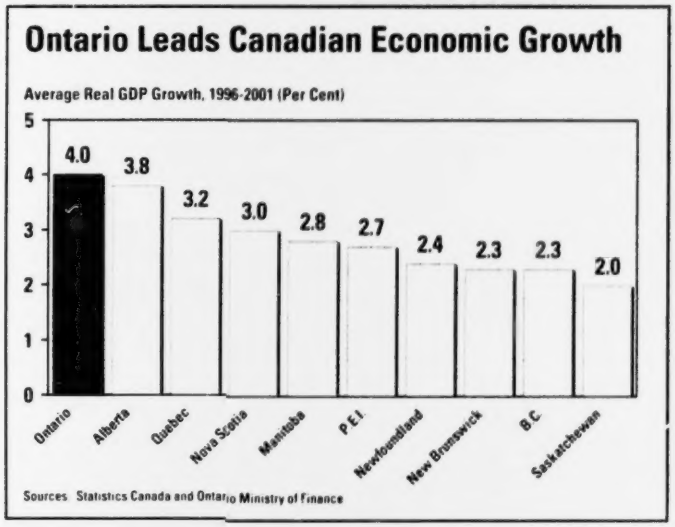
This success in lowering the welfare caseload since 1995 is in sharp contrast to the experience in the 1980s when the caseload grew even as the economy generated jobs and reduced unemployment.



- Welfare reforms have encouraged self-reliance by breaking through barriers that fostered dependence. Ontario Works, the Province's mandatory work-for-welfare program, gives participants the chance to upgrade their education, get job training and gain valuable work experience. At the same time, the welfare system remains a safety net for those who truly need it.

Ontario's Economic Performance: A Record of Resilience and Growth

Since 1995, Ontario has achieved an outstanding record of economic growth and job creation. Ontario's economy has grown faster than that of any of the G-7 nations or any other Canadian province.



This strong performance showed itself in the resilience of Ontario's economy during the global slowdown of 2001 and in the resumption of strong growth so far in 2002. Ontario's economic policies, including lower taxes, the efficient delivery of public services, infrastructure investment and the elimination of unnecessary barriers to private-sector initiative, have supported this solid economic record.

The next section discusses Ontario's economic outlook. Despite the many risks and uncertainties that face world markets, forecasters expect continued solid economic growth in Ontario.

B: Ontario's Economic Outlook

Introduction and Highlights

In 2002, the Ontario economy demonstrated its strength and resilience. The economy emerged strongly from the severe setback of the previous year and regained its position as a growth leader.

While the global economy continues to face numerous risks and challenges, the Ontario economy is expected to achieve sustained economic growth. As in previous years, the Economic Outlook and Fiscal Review reports on private-sector forecasts for the Ontario economy. These provide a good framework for Budget consultations and planning. Ontario will present its set of prudent planning assumptions when a Budget is introduced before the end of this fiscal year.

Private-Sector Forecast for Ontario Economy
(Annual Average, Per Cent)

	2001	2002p	2003p	2004p
Real GDP Growth	1.5	3.5	3.5	3.9
Unemployment Rate	6.3	7.1	6.7	6.4
CPI Inflation	3.1	2.1	2.4	1.9

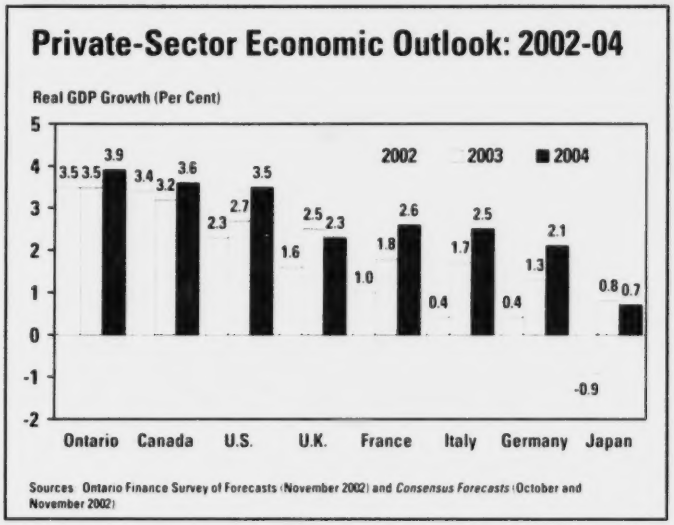
p = private-sector survey average.
Sources: Statistics Canada, Ontario Ministry of Finance and Ontario Ministry of Finance Survey of Forecasts (November 2002).

Ontario's 2002 economic outlook has improved since last June's Budget. However, the 2003 outlook has moderated. Private-sector forecasters on average now expect real growth of 3.5 per cent in 2002, compared to 3.2 per cent at the Budget. Next year's growth is now expected to be 3.5 per cent compared to 4.3 per cent anticipated last June. For 2004, private-sector forecasters expect real growth to remain strong at 3.9 per cent.

The weaker growth outlook for 2003 results primarily from the tentative and uncertain recovery that has developed in the United States. Although U.S. consumer spending has grown, business spending has fallen. In part, this is because of the risk that war in the Middle East could have negative economic consequences. This uncertainty has combined with the persistence of high levels of excess capacity in many industries to make U.S. business reluctant to invest or hire.

Ontario to Lead Economic Growth

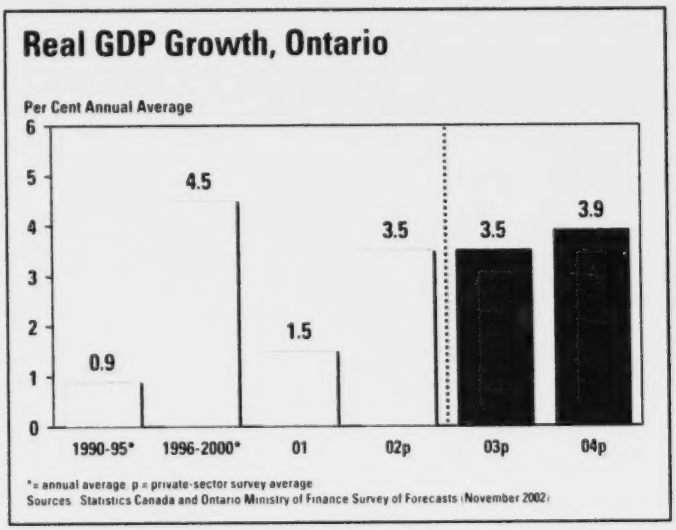
Following the global economic slowdown of 2001, the Ontario economy has rebounded strongly and once again is outpacing growth in all of the G-7 nations. This is a testament to the strength of the economy, a strength reinforced by the policies pursued by the Ontario Government over the past seven years. Taxes have been lowered, the budget has been balanced for three consecutive years and barriers to job creation and investment have been reduced. These policies promote job creation, increase incomes, boost spending and encourage new business investment.



According to private-sector economists, Ontario real GDP will grow by 3.5 per cent in 2002, 3.5 per cent in 2003 and 3.9 per cent in 2004. Ontario is expected to be the top-performing economy over this period, outpacing the economic performance of all of the G-7 nations. This confidence is based on Ontario's solid record, rising productivity, growth of our skilled and well-educated labour force and the commitments that the economic framework for investment and entrepreneurship will remain supportive.

A number of factors are shaping the economic outlook for the next few years:

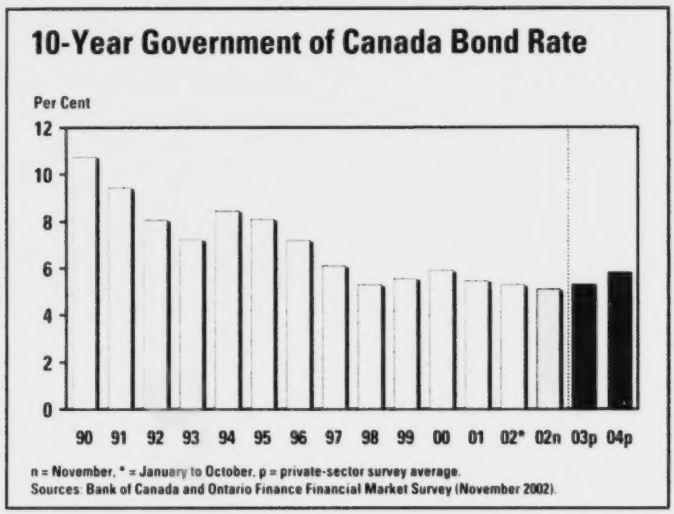
- Reduced personal and corporate tax rates have improved incentives to work and invest, and enhanced financial positions in both the business and household sectors.
- Low interest rates will help contain business expenses and bolster spending on consumer goods, new home construction and renovation activity.
- U.S. households continue to spend on big-ticket items, particularly automobiles, providing a boost to one of Ontario's key sectors.



Low Interest Rates and Stable Inflation Support Growth

Interest rates are expected to remain low by historical standards, reflecting moderate inflation. Both the U.S. Federal Reserve and the Bank of Canada reduced interest rates sharply in 2001 in response to the weakness in the economy. After keeping interest rates unchanged since the end of 2001, the U.S. Federal Reserve lowered interest rates by 50 basis points on November 6 in order to support continued economic growth. With the Canadian economy growing at roughly twice the pace of the American economy, the Bank of Canada has increased interest rates three times since April 2002, by a total of 75 basis points. They have held rates steady since August as the outlook for global economic activity weakened. Most economic forecasters expect the Bank to keep interest rates unchanged until early next year.

Despite the modest increase in short-term interest rates, long-term borrowing rates in Canada remain near record low levels. Interest rates are expected to increase gradually in 2003 and 2004 as the economy grows and the Bank of Canada acts to prevent inflationary pressures from emerging.


10-Year Government of Canada Bond Rate
Per Cent
12
10
8
6
4
2
0
90 91 92 93 94 95 96 97 98 99 00 01 02* 02n 03p 04p
n = November, * = January to October, p = private-sector survey average.
Sources: Bank of Canada and Ontario Finance Financial Market Survey (November 2002).

- The Canadian three-month treasury bill rate is currently near 2.7 per cent. Private-sector forecasters expect the three-month treasury bill rate to rise to an average of 3.5 per cent in 2003 and 4.4 per cent in 2004.

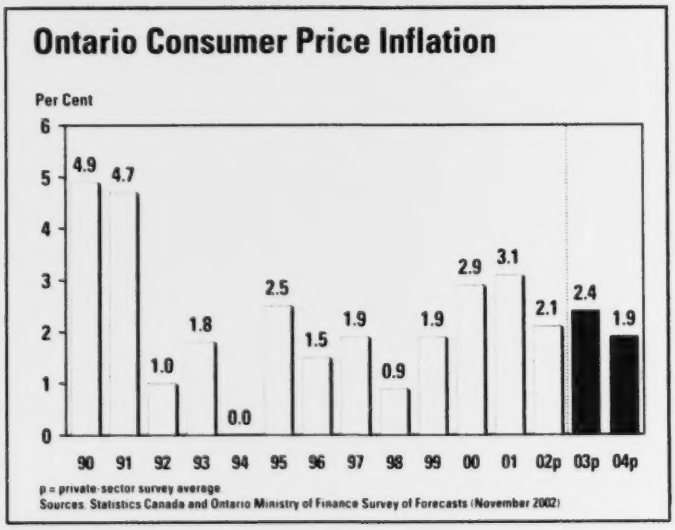
- The Canadian 10-year Government bond rate is currently near 5.1 per cent. Private-sector forecasters expect the 10-year bond yield to average 5.3 per cent in 2003 and rise to 5.8 per cent in 2004.

Canadian Interest Rate Outlook
(Annual Per Cent)

	2001	2002 Jan.-Oct.	2002 Nov.	2003p	2004p
3-Month Treasury Bill Rate	3.8	2.6	2.7	3.5	4.4
10-Year Government Bond Rate	5.5	5.3	5.1	5.3	5.8

p = private-sector survey average.
Sources: Bank of Canada and Ontario Finance Financial Market Survey (November 2002).

The Bank of Canada's policy of targeting low and stable rates of inflation is one of the key reasons that interest rates are expected to remain at low levels. Inflation in Canada is expected to remain moderate, governed by the target band of one to three per cent for CPI inflation.



Private-sector economic forecasters expect Ontario's CPI inflation rate to decline to 2.1 per cent in 2002, from the 3.1 per cent rate reached in 2001. For 2003, forecasters project an average inflation rate of 2.4 per cent, followed by a rate of 1.9 per cent in 2004.

Inflation has averaged 1.8 per cent over the first 10 months of the year. However, the year-over-year inflation rate has risen from a low of 0.8 per cent in May to 2.8 per cent in October, as energy prices have climbed back up. Inflation rates are expected to decline by the end of the year and trend lower throughout 2003, in part due to the government's decision to protect consumers from electricity price volatility.

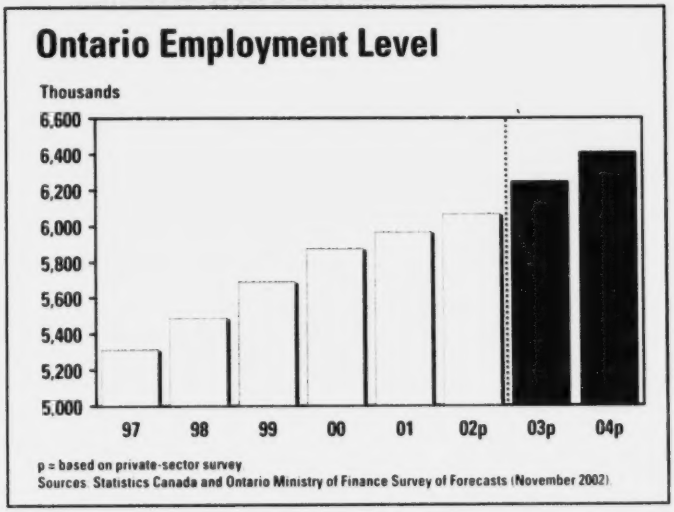
A number of factors will affect Ontario's price environment over the next two years:

- From January to October 2002, crude oil prices (using West Texas Intermediate as a benchmark) increased by more than 50 per cent to around $30 US per barrel, a reflection of political unrest in the Middle East and OPEC's commitment to production quotas. Over the same period, Ontario's average gasoline pump price rose by almost 18 cents per litre. Oil prices have remained volatile, recently trading in the $26 to $28 US per barrel range. Private-sector forecasters expect oil prices will be around $25 US over the next year.
- Ontario wage settlements have remained moderate, averaging 2.8 per cent over the first nine months of the year, compared to 2.9 per cent in 2001.

Although the average private-sector forecast for inflation over the next year is in the upper half of the Bank's inflation control target range, long-term inflation expectations are centred tightly around two per cent.

Job Creation Solid

Ontario's job creation has been solid this year, despite the weak economic performance of the Province's major trading partner, the United States. Private-sector forecasters anticipate 2002 job creation of up to 101,000 new jobs. Further strengthening is expected, with employment rising by up to 350,000 new jobs over the next two years. By 2004, up to 6.4 million Ontarians are expected to be employed.

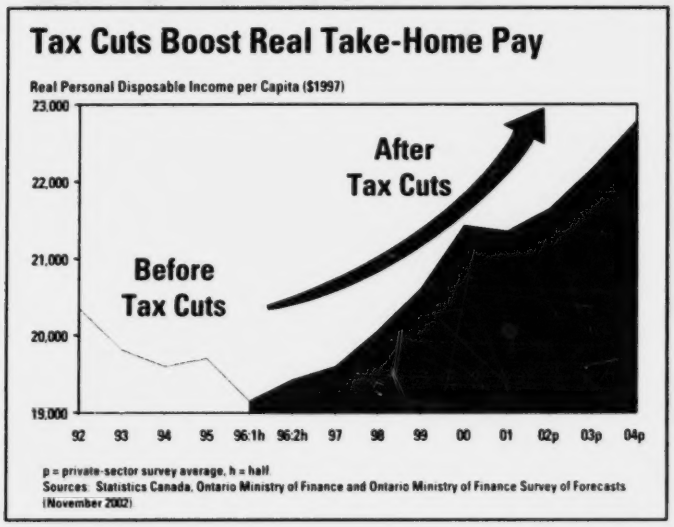


Private-sector forecasters project annual job growth of up to 1.7 per cent in 2002, 3.0 per cent in 2003 and 2.6 per cent in 2004.

Private-sector forecasters expect the unemployment rate to decline from 7.1 per cent in 2002 to 6.7 per cent in 2003, and then fall to 6.4 per cent in 2004. The unemployment rate has remained much lower than during the 1990-95 period, when Ontario's jobless rate averaged 9.3 per cent.

Consumer Spending Supported by Strong After-Tax Income and Low Interest Rates

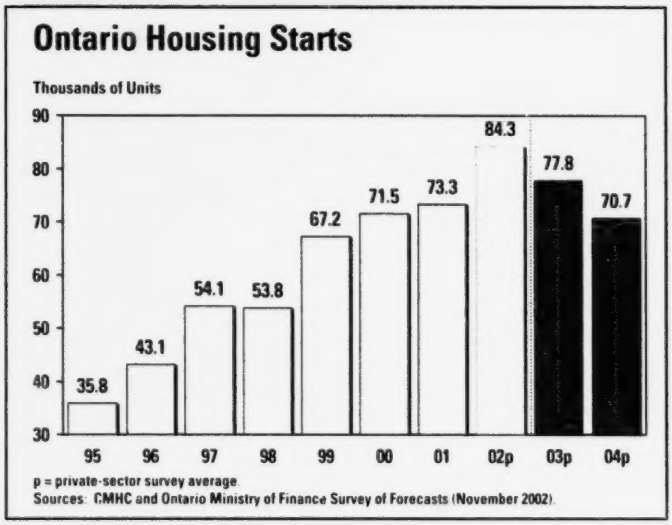
Consumers are expected to remain the leading force in sustaining economic growth during the 2002 to 2004 period, bolstered by stronger after-tax income and low interest rates.



- Since the provincial government began cutting taxes in mid-1996, Ontario real after-tax income has increased 22.3 per cent, which works out to a real increase of 12.5 per cent per person. This has fuelled the 24.8 per cent rise in real consumer spending during the same period.
- Low interest rates and solid income growth have helped to ease the cost of carrying household debt loads, while rising house values have helped to offset the impact of stock-market losses.
- Competitive price and financing incentives have fuelled robust auto sales, while strong housing markets have driven robust growth in housing-related expenditures. Ontario retail sales are up 5.7 per cent so far this year, led by increases of 9.1 per cent in autos and 13.3 per cent in household furniture.
- Private-sector forecasters, on average, expect real disposable income to grow by 2.8 per cent in 2002, 3.4 per cent in 2003 and 4.0 per cent in 2004. As a result, consumer spending is expected to grow by 2.6 per cent in 2002, 3.6 per cent in 2003 and 3.8 per cent in 2004.

Housing Prospects Solid

Ontario's housing market has been a key source of growth in 2002. Market conditions are in place to support continued healthy housing activity. Low interest rates and rising after-tax income have helped keep housing affordable for Ontario's growing population. These factors will continue to encourage home purchases and new home construction.

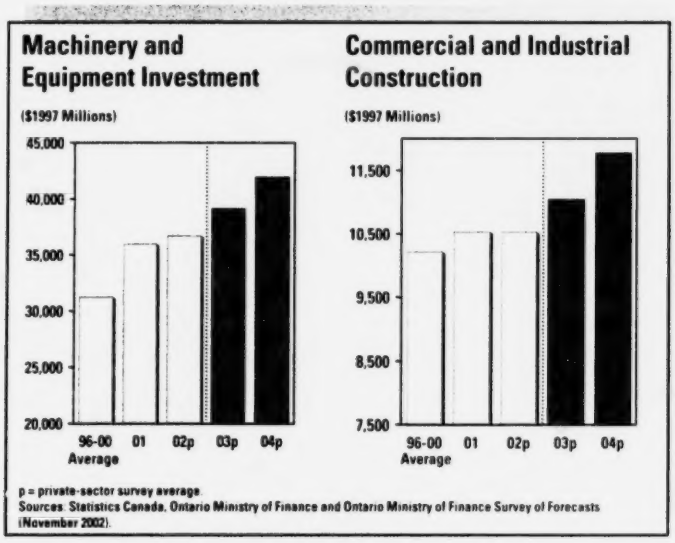


Private-sector economists expect housing starts to reach 84,300 units this year, a 15.0 per cent gain from 2001. Housing starts are anticipated to moderate to the still very healthy level of 77,800 units in 2003 and 70,700 units in 2004.

- Housing in Ontario continues to be affordable. The average monthly carrying cost for an average-priced home in October 2002 was $1,141, much lower than the peak of $1,489 in 1990. Despite an anticipated rise in mortgage rates and further gains in house prices, home ownership is expected to remain affordable. Housing cost as a share of average after-tax household income has fallen sharply, from a high of 35 per cent in 1990 to 21 per cent in 2002, and is expected to remain low, averaging close to 22 per cent over the 2003 to 2004 period.
- Five-year mortgage rates in late November were posted at 6.7 per cent. Forecasters expect rates to rise only moderately, to 7.4 per cent in 2003 and 7.8 per cent by 2004.
- First-time buyers of newly constructed homes have been encouraged by Ontario's Land Transfer Tax refund. Since its introduction in 1996, the rebate has helped more than 120,000 Ontarians purchase their first home.

Ontario Attracts Investment

Ontario's business advantages, including a well-educated and highly skilled workforce, low corporate and personal taxes, reduced red-tape regulations, modern infrastructure and the province's central location, continue to attract new investment. This enhances the province's competitiveness in the global marketplace and provides new job opportunities for Ontarians.

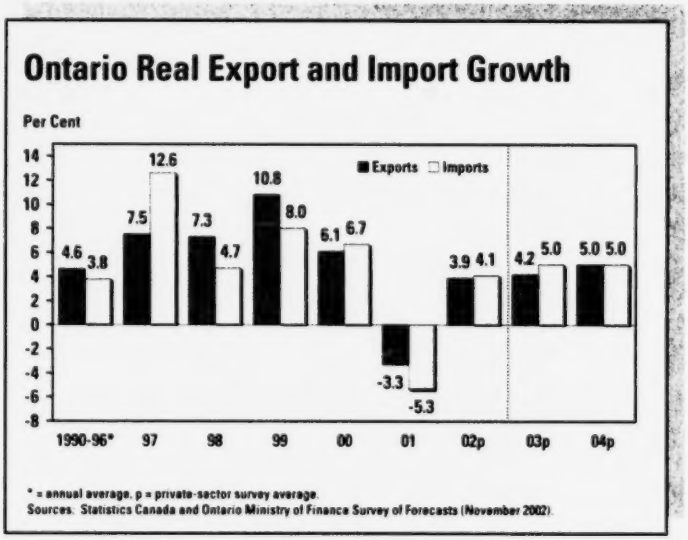


p = private-sector survey average.
Sources: Statistics Canada, Ontario Ministry of Finance and Ontario Ministry of Finance Survey of Forecasts (November 2002).

- Ontario has a history of strong business investment. The value of Ontario business investment in machinery and equipment rose almost 67 per cent in real terms between 1995 and 2000. Real investment in commercial and industrial construction rose by 41 per cent during the same period.
- Toronto ranks second in relative cost advantage among the OECD's 26 largest cities according to a 2002 KPMG survey of business costs. In addition, KPMG found that three Ontario locations—the Waterloo region, Ottawa and Toronto—ranked third, fourth and fifth, respectively, in terms of cost competitiveness among 16 northeastern North American cities.
- Corporation profits are improving. Forecasters expect Ontario's corporation profits to rise 4.7 per cent in 2002, a further 4.6 per cent in 2003 and 10.2 per cent in 2004.
- Forecasters project that machinery and equipment investment will advance by 1.9 per cent in 2002, accelerate to a 6.7 per cent gain in 2003 and increase by 7.2 per cent in 2004.
- Commercial and industrial construction spending is projected to remain steady in 2002 and grow by 4.8 per cent in 2003 and 6.7 per cent in 2004.

Export Growth Resumes

Strong domestic demand is expected to be accompanied by rising exports, providing Ontario with well-balanced economic growth. Ontario's very competitive export sector is expected to grow solidly as U.S. economic activity strengthens. The United States is Ontario's largest trading partner, accounting for 93 per cent of the province's international exports in 2001. Increasing integration of the North American economy means that growing production in either economy generates increasing two-way trade. Ontario imports are also expected to grow strongly, reflecting healthy increases in capital spending, and durable goods consumption—most of which are imported. Private-sector forecasters expect the U.S. economy to grow by 2.3 per cent in 2002, 2.7 per cent in 2003 and 3.5 per cent in 2004.



Private-sector analysts expect Ontario's real exports to grow by 3.9 per cent in 2002, 4.2 per cent in 2003 and a further 5.0 per cent in 2004, as U.S. demand gains momentum.

Real imports are forecast to rise by 4.1 per cent in 2002, 5.0 per cent in 2003 and 5.0 per cent in 2004. Strong domestic demand, particularly in consumer spending and machinery and equipment investment, will contribute to the strong import growth.

Conclusion

Ontario has a record of strong economic growth. Private-sector economists expect Ontario to continue to grow at a healthy pace. A growing economy is part of the foundation for a healthy quality of life. A growing economy provides the resources to invest in health, education and a safe, clean environment.

The table below shows the current average private-sector forecast for Ontario through 2004.

Outlook for the Ontario Economy
(Annual Average Per Cent Change)

	Actual	Private-Sector Average		
	2001	2002p	2003p	2004p
Gross Domestic Product				
Real	**1.5**	3.5	3.5	3.9
Nominal	**2.4**	4.7	5.4	5.8
Other Economic Indicators				
Retail Sales	**2.6**	5.5	5.2	4.6
Housing Starts - Units (000s)	**73.3**	84.3	77.8	70.7
Personal Income	**3.8**	3.5	5.4	5.4
Pre-tax Corporate Profits	**(15.6)**	4.7	4.6	10.2
Consumer Price Index (1992=100)	**3.1**	2.1	2.4	1.9
Labour Market				
Unemployment Rate (%)	**6.3**	7.1	6.7	6.4

p = private-sector projection.

Sources: Statistics Canada, Canada Mortgage and Housing Corporation, Ontario Ministry of Finance and Ministry of Finance Survey of Private-Sector Forecasts (November 2002).

For more detailed information on Ontario's economy, see the Economic Data Tables at the end of this document.

C: Ontario's Fiscal Plan

Ontario's Fiscal Plan

The Province remains on track to balance its budget in 2002-03 as reported in Second Quarter Ontario Finances. This will be Ontario's fourth consecutive balanced budget and the eighth consecutive year in which the Province has met or exceeded its deficit and debt-reduction target.

The recently released 2001-02 Public Accounts reported a $375 million surplus for 2001-02. As a result of surpluses recorded in each of the past three years, Net Provincial Debt has been reduced by $4.5 billion prior to accounting changes and the provisional adjustment for the Canada Customs and Revenue Agency error in remitting personal income tax. This represents more than 90 per cent of the government's $5 billion debt-reduction commitment made in the 2000 Ontario Budget.

This section will:

- provide an update on the Province's 2002-03 fiscal outlook, based on results for the second quarter ending September 30;
- report on Ontario's recent fiscal performance; and
- review Ontario's borrowing and debt management.

2002-03 Fiscal Outlook: Second-Quarter Update

On Track for Fourth Consecutive Balanced Budget

In 2002-03, Ontario's budget is expected to be balanced for the fourth consecutive year—the first time in nearly 100 years. As reported in Second Quarter Ontario Finances, the current fiscal outlook for 2002-03 is a balanced budget, unchanged from the 2002 Budget Plan.

2002-03 Fiscal Performance
($ Millions)

	Budget Plan	Current Outlook*	In-Year Change
Revenue	66,544	66,611	67
Expenditure			
Programs	54,384	54,494	110
Gross Capital Expenditure	2,713	2,715	2
Less: Net Investment in Capital Assets**	634	634	--
Public Debt Interest			
Provincial	8,550	8,505	(45)
Electricity Sector	520	520	--
Total Expenditure	65,533	65,600	67
Less: Reserve	1,000	1,000	--
Add: Decrease/(Increase) in Stranded Debt from Electricity Sector Restructuring to be Recovered from Ratepayers***	(11)	(11)	--
Surplus / (Deficit)	**0**	**0**	--

* Second-quarter results as at September 30, 2002

** Starting in 2002-03, major tangible capital assets owned by the Province (land, buildings and transportation infrastructure) are accounted for on a full accrual accounting basis. Other tangible capital assets will continue to be booked as expenditure in the year of acquisition.

*** Reflects the estimated excess of revenue over expenditure of the Ontario Electricity Financial Corporation (OEFC). Consistent with the principles of electricity restructuring, OEFC debt is to be recovered from ratepayers, not taxpayers.

Source: Ontario Ministry of Finance.

- Ontario's 2002-03 Budget Plan included a $1 billion reserve designed to protect the balanced budget against unexpected and adverse changes in the economic and fiscal outlook. The reserve will be available for debt reduction at year-end if not needed.
- With continued uncertainty in the economic and fiscal outlook and consistent with prudent fiscal planning, the reserve was maintained at second quarter to protect the balanced budget.

In-Year Revenue Changes

The revenue outlook for 2002-03, at $66,611 million, is up $67 million from the Budget Plan and $65 million from First Quarter Ontario Finances.

2002-03 In-Year Changes to Revenue Since Budget ($ Millions)		
Changes This Quarter:		
Taxation Revenue		
Tobacco Tax	(100)	
Land Transfer Tax	40	
Gasoline Tax	35	
Fuel Tax	10	
Total Taxation Revenue		(15)
Government of Canada		55
Other Revenue		25
Net Changes Reported in First Quarter Ontario Finances		**2**
Total In-Year Revenue Changes Since Budget		**67**

Source: Ontario Ministry of Finance.

- The Tobacco Tax revenue forecast has been reduced by $100 million reflecting a larger-than-expected decline in cigarette consumption.
- The forecast for Land Transfer Tax revenues has been increased by $40 million reflecting the robust Ontario housing market.
- The forecasts for Gasoline and Fuel Tax revenues have been increased by $35 million and $10 million respectively as a result of stronger economic growth.
- Other Federal Payments have increased by $55 million, including a $31 million federal contribution towards Provincial payments to Ontario farmers in past years and $24 million in support for Provincial primary care health initiatives.
- Independent Electricity Marketing Operator revenues are increased by $21 million due to recognition of revenues related to ancillary services, rural rate assistance and remote-area subsidies, consistent with the treatment in the 2001-02 Public Accounts. These revenues were not included in the 2002 Budget forecast and offset higher corresponding expenditures.
- Miscellaneous revenue is increased by $4 million from the Victims' Justice Fund to support new initiatives as part of a multi-ministry interim response to the Hadley Inquest into domestic violence.

In-Year Operating Expenditure Changes

Operating expenditure for 2002-03, at $63,519 million, is up $65 million from the Budget Plan and $63 million from First Quarter Ontario Finances. Higher spending in-year is mainly due to increased support for farmers and additional forest fire-fighting costs; partially offset by lower Public Debt Interest (PDI) costs.

Summary of 2002-03 In-Year Operating Expenditure Changes Since Budget ($ Millions)

Changes This Quarter:		
Transition funding for farmers	73	
Less: Partial offset from the Contingency Fund	(20)	
Net change		53
Forest fire-fighting costs		24
Independent Electricity Market Operator – ancillary expenditures		21
Legal Aid – increase in tariff rate		4
Disaster relief assistance for individuals and organizations affected by Northwestern Ontario floods		4
Hadley Inquest into domestic violence – interim Provincial response		2
Public Debt Interest – Savings		(45)
Net Changes Reported in First Quarter Ontario Finances		**2**
Total In-Year Operating Expenditure Changes		**65**

Source: Ontario Ministry of Finance.

- Expenditure increased by $73 million in-year to fund Ontario's portion of a federal-provincial transition program for farmers in Ontario, partially offset by $20 million from the Contingency Fund.
- Additional forest fire-fighting costs this summer resulted in an in-year expenditure increase of $24 million.
- Expenditure increased in-year by $21 million, consistent with the treatment in the 2001-02 Public Accounts, to reflect Independent Electricity Market Operator expenditures related to ancillary services, rural rate assistance and remote-area subsidies not included in the 2002 Budget, fully offset by revenues.

- An increase in legal aid tariff rates effective August 2002 increased expenditure by $4 million in-year.
- An additional $4 million was provided in-year to help residents, small businesses, farmers, municipalities and municipal organizations affected by severe flooding in Northwestern Ontario earlier in the year.
- Operating expenditure increased in-year by $2 million to support community service improvement grants, domestic violence bail pilot projects, public education and regional conferences as part of a multi-ministry interim response to the Hadley Inquest into domestic violence, offset by revenue from the Victims' Justice Fund.
- Public Debt Interest costs were down $45 million from the 2002 Budget Plan projection due to lower-than-expected interest rates and cost-effective debt management.

In-Year Capital Expenditure Changes

Net capital expenditure, at $2,081 million, is up a net $2 million from the Budget Plan and First Quarter Ontario Finances.

Summary of 2002-03 In-Year Capital Expenditure Changes Since Budget ($ Millions)

Changes This Quarter:		
Hadley Inquest into domestic violence – interim Provincial response	7	
Less: Partial offset from Capital Contingency Fund	(5)	
Net Change		2
Total In-Year Capital Expenditure Changes		**2**

Source: Ontario Ministry of Finance.

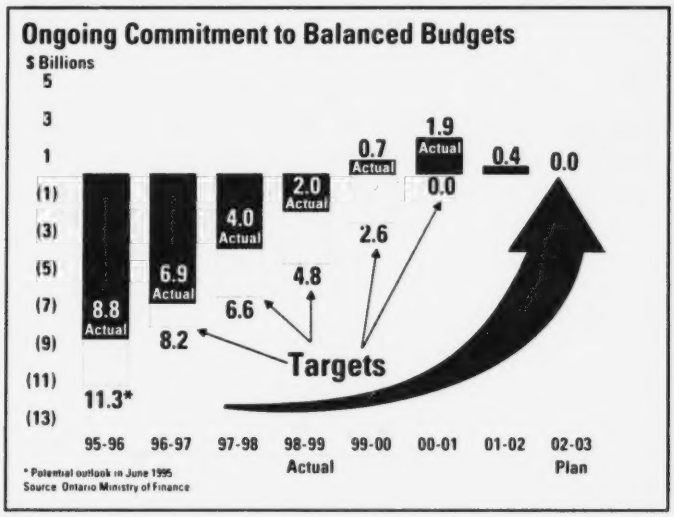
- The capital component of a multi-ministry interim response to the Hadley Inquest into domestic violence includes $5 million to enhance the safety, security and accessibility of women's shelters and $2 million for the expansion of the domestic violence court program. These expenditures are offset by $5 million from the Capital Contingency Fund and $2 million by revenue from the Victims' Justice Fund.

Ontario's Fiscal Performance

Four Balanced Budgets in a Row

In November 1995, the government introduced its Balanced Budget Plan, which set out declining annual deficit targets for the Province culminating in a balanced budget in 2000-01. The Balanced Budget targets were overachieved each year and the budget balanced in 1999-2000, one year ahead of schedule.

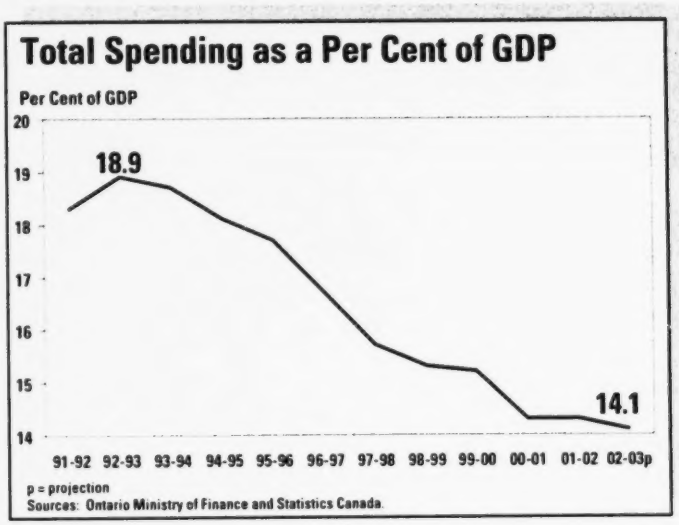
The fiscal year 2002-03 will be the fourth consecutive year in which the government has balanced the budget. The results of recent years combined with the *Balanced Budget Act, 1999*, demonstrate the government's commitment to maintaining a balanced budget on an ongoing basis.



- As at September 30, the second-quarter outlook for 2002-03 is a balanced budget, on track with the 2002 Budget Plan.
- The recently released 2001-02 Public Accounts reported the 2001-02 surplus at $375 million.

Total Spending as a Share of the Economy

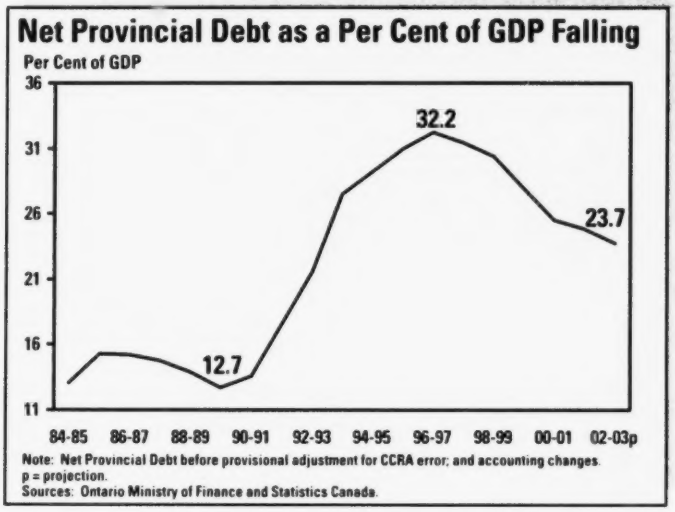
The government's commitment to controlling spending has allowed the Province to reduce spending as a per cent of provincial Gross Domestic Product (GDP) while at the same time investing in key sectors such as health care and education.



- In 2002-03, total spending as a share of the economy is estimated at 14.1 per cent, down from a peak of 18.9 per cent in 1992-93.
- At 14.1 per cent, total spending as a share of Ontario's Gross Domestic Product is at its lowest level since the early 1980s.

Net Provincial Debt as a Per Cent of GDP Falling

As a result of four consecutive deficits of over $10 billion annually, Ontario's debt rose dramatically in the early 1990s. Net Provincial Debt as a per cent of GDP more than doubled from 12.7 per cent in 1989-90 to 32.2 per cent in 1996-97.



- Strong economic growth, sound fiscal management and three consecutive years of budget surpluses have reduced Net Provincial Debt, prior to the provisional adjustment for Canada Customs and Revenue Agency error and accounting changes, to a projected 23.7 per cent of GDP in 2002-03.

Borrowing and Debt Management

Market Condition

- The U.S. Federal Reserve has lowered its Federal Funds rate by 50 basis points since the beginning of the fiscal year, to its lowest level in over 40 years, to support continued economic growth in the United States. There are also concerns about the potential for war in the Middle East and the risk of negative economic consequences.
- The Bank of Canada has raised interest rates three times so far this fiscal year, in an attempt to reduce the monetary stimulus in the economy. The Canadian economy has remained stronger than expected and core inflation has remained higher than targeted by the Bank of Canada.
- North American bond yields have declined dramatically during the fiscal year. At the same time, the gap between Canadian and U.S. 10-year bond yields has widened significantly, approaching levels last seen in 1996. This is due in part to the safe-haven investor status of U.S. Treasury bonds, Canada's economic outperformance relative to the United States and differences in monetary policy.

Borrowing Program

- Long-term public market borrowing requirements are $343 million higher than estimated in the 2002-03 Budget Plan. This is due mainly to a reduction in the refinancing of Canada Pension Plan (CPP) debt of $330 million, as borrowing from the CPP has not been as cost-effective as other sources.
- As of November 25, 2002, the Ontario Financing Authority (OFA) has completed $9.6 billion of the Province's 2002-03 long-term public borrowing requirement of $13.1 billion. The Province was successful in accessing a diverse range of financing sources, including Ontario Savings Bonds, five syndicated domestic issues, nearly 20 structured domestic medium-term notes, five Euro-Canadian bond issues, and five U.S. dollar Global issues.
- International investor demand for Ontario's issues is based on the Province's strong credit rating and the perception of continued economic growth in Canada and Ontario. The Province will continue to monitor international capital markets for cost-effective borrowing opportunities.
- The eighth annual Ontario Savings Bond campaign in June raised $2.6 billion.

Financing Program*
($ Millions)

	2002-03 Budget Plan	2002-03 Current Outlook
Surplus/ (Deficit)	-	-
Adjustments for:		
Non-cash Items Included in Surplus	(2,875)	(2,875)
Amortization of Tangible Capital Assets**	733	733
Acquisitions of Tangible Capital Assets**	(1,367)	(1,367)
Maturities of Debt	(11,725)	(11,738)
Early Redemptions of Debt	(1,200)	(1,200)
Canada Pension Plan Borrowing	688	358
Decrease / (Increase) in Cash and Cash Equivalents	3,000	3,000
Increase / (Decrease) in Short-Term Borrowing	-	-
Other Sources / (Uses) of Cash***	-	-
Long-Term Public Borrowing Requirement	12,746	13,089
Of which: Completed		**9,629**
Remaining		**3,460**

* Second-quarter results as at September 30, 2002. Long-Term Public Borrowing Completed is as at November 25, 2002.

** Starting in 2002-03, major tangible capital assets owned by the Province (land, buildings, and transportation infrastructure) are accounted for on a full accrual accounting basis. Other tangible capital assets will continue to be booked as expenditure in the year of acquisition.

*** Includes net repayment from, or loans to, agencies and an increase or decrease in deposits with the Province of Ontario Savings Office.

- In addition to the borrowing and redemptions shown in the table, the Province bought back $517 million of previously issued debt, financing the purchases with similar amounts of debt issued at more favourable rates.

Debt Management Program

- The OFA adheres to prudent risk management policies, using financial instruments such as options and swaps to hedge the Province's foreign exchange and interest rate risks. Such measures enable the OFA to mitigate risks in an uncertain market.
- The Province limits itself to having a maximum foreign exchange exposure of 5 per cent of debt. As of September 30, the Province's foreign exchange exposure was 1.6 per cent of debt.
- As of September 30, interest rate reset exposure was 12.2 per cent of outstanding debt. Interest rate reset exposure is the combination of net floating rate exposure (i.e., gross floating rate exposure less liquid reserves) and all fixed rate debt maturing within the next 12 months. The Province limits itself to having a maximum interest rate reset exposure of 25 per cent of debt.
- Debt maturities will remain significant during the next few years. As of September 30, the remaining amount of maturing debt for the Province and the Ontario Electricity Financial Corporation (OEFC) in 2002-03 is $7.3 billion, while in 2003-04, maturities total $13.5 billion.
- In managing these maturities, the OFA will maintain a flexible financing approach and monitor domestic and international bond markets continuously, seeking out the most cost-effective borrowing opportunities.
- The OFA will also continue to aim for a balanced maturity profile and take advantage of cost-effective opportunities to schedule maturities into years that currently have lower levels of maturing debt.

Ontario Electricity Financial Corporation (OEFC)

OEFC is the agency of the Province responsible for the servicing and management of the former Ontario Hydro's debt, derivative contracts and certain other liabilities. OEFC's debt is guaranteed by the Province. As OEFC does not have its own credit rating, the Province borrows on its behalf. In return, OEFC issues debt to the Province.

- OEFC's debt maturities for 2002-03 are $2.7 billion.
- On November 25, 2002, the government introduced the *Electricity Pricing, Conservation and Supply Act, 2002*, which will protect consumers by lowering and freezing the price of electricity at 4.3 cents per kilowatt hour for families, small businesses and farmers. The Bill, if passed by the Legislature, would also provide refunds of the difference between what these consumers paid since May, and what they would have paid at a frozen price of 4.3 cents per kilowatt hour. It will also cap, at current levels, the price that consumers pay for the delivery of electricity, and review all other charges on consumers' electricity bills.
- OEFC would play a supporting role in the government's plan by ensuring that consumers would pay the frozen price of 4.3 cents per kilowatt hour.

Opportunity Bonds and the Ontario Municipal Economic Infrastructure Financing Authority

- The Ontario Government has announced two initiatives that would provide municipalities with new support for investment in local priority infrastructure projects. These new initiatives are Opportunity Bonds and the Ontario Municipal Economic Infrastructure Financing Authority (OMEIFA).

- The government's objective is to subsidize 50 per cent of the interest costs of any funds borrowed by municipalities through OMEIFA. To demonstrate its commitment and to ensure that OMEIFA is able to start funding projects immediately, the government will be providing a $1 billion capital injection. The Ontario Clean Water Agency would provide an additional $120 million for water and sewer projects.

- Opportunity Bonds are tax-exempt bonds that would be issued by OMEIFA to raise financing for municipal infrastructure. Interest payments would be tax-exempt for investors that purchase the bonds. This exemption should encourage investors to accept a lower interest rate than for taxable bonds. In turn, OMEIFA would provide lower interest rate loans to municipalities, reducing their financing costs and allowing them to invest more in infrastructure without increasing the local tax burden.

- By creating OMEIFA, the government would ensure that the benefits of Opportunity Bonds would be shared by all municipalities. This would allow lower interest rates and reduced transaction costs to flow to all municipalities, including those that do not have ready access to the capital markets.

- The City of Toronto recently had its credit rating upgraded by Moody's Investors Service to Aa1 from Aa2. In addition, North Bay had its credit rating upgraded by two notches to A2 from Baa1. In providing these upgrades, Moody's cited OMEIFA as one of the contributing factors.

- Opportunity Bonds and the creation of OMEIFA would complement existing provincial programs provided through the Ontario SuperBuild Corporation and the Northern Ontario Heritage Fund Corporation.

- The government undertook extensive consultations with municipalities, the private sector and other stakeholders on how to design and implement an Opportunity Bond program that would meet the infrastructure financing needs of municipalities.

Conclusion

As reported in Second Quarter Ontario Finances, Ontario remains on track to achieve a fourth consecutive balanced budget in 2002-03—the first time in nearly 100 years.

The government also remains firmly committed to balancing the budget on an ongoing basis and to ensuring good value for taxpayers' dollars. The government's fiscal and economic policies have restored the Province to a sound financial footing and have created a solid foundation for economic growth over the medium and longer term.

LIST OF FINANCIAL TABLES AND GRAPHS

Financial Tables

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Graphs

The Budget Dollar: Revenue 2002-03

The Budget Dollar: Total Expenditure 2002-03

The Budget Dollar: Program Expenditure 2002-03

Revenue Sources by Category, Per Cent of Total 1998-99 to 2002-03

Operating Expenditure by Category, Per Cent of Total 1998-99 to 2002-03

Program Expenditure by Category, Per Cent of Total 1998-99 to 2002-03

Gross Capital Expenditure by Category, Per Cent of Total 1998-99 to 2002-03

2002-03 Operating Expenditure by Category

2002-03 Gross Capital Expenditure by Category

Statement of Financial Transactions
($ Millions)

Table C1

	Actual 1998-99	Actual 1999-00	Actual 2000-01	Actual 2001-02	Outlook* 2002-03
Revenue	55,786	62,931	63,824	63,886	66,611
Expenditure					
Programs	46,557	47,525	50,401	52,523	54,494
Gross Capital Expenditure	2,215	4,887	2,123	1,890	2,715
Less: Net Investment in Capital Assets**	-	-	-	-	634
Public Debt Interest					
Provincial	9,016	8,977	8,896	8,509	8,505
Electricity Sector	-	520	520	520	520
Total Expenditure	57,788	61,909	61,940	63,442	65,600
Less: Reserve	-	-	-	-	1,000
Add: Decrease/(Increase) in Stranded Debt from Electricity Sector Restructuring to be Recovered from Ratepayers***	-	(354)	18	(69)	(11)
Surplus / (Deficit) after Provisional Adjustment for CCRA Error; and Accounting Changes†	**(2,002)**	**668**	**1,902**	**375**	**0**
Net Provincial Debt after Provisional Adjustment for CCRA Error; and Accounting Changes‡	114,737	113,715	112,480	112,036	112,025
Accounting Changes (included in Net Provincial Debt above)					
Provisional Adjustment for CCRA Error			(2,043)		
Retirement Benefits			197		
Net Impact of Accounting Changes			(1,846)	(1,846)	(1,846)
Net Provincial Debt - Before Provisional Adjustment for CCRA Error; and Accounting Changes	**114,737**	**113,715**	**110,634**	**110,190**	**110,179**

* Second-quarter outlook as at September 30.

** Starting in 2002-03, major tangible capital assets owned by the Province (land, buildings and transportation infrastructure) are accounted for on a full accrual accounting basis. Other tangible capital assets will continue to be booked as expenditure in the year of acquisition.

*** Reflects the estimated excess of revenue over expenditure of the Ontario Electricity Financial Corporation (OEFC). Consistent with the principles of electricity restructuring, OEFC debt is to be recovered from ratepayers, not taxpayers.

† Includes provisional adjustment for Canada Customs and Revenue Agency error; retirement benefits accounting policy change in accordance with new Public Sector Accounting Board recommendations; and adjustment to decrease in stranded debt from electricity sector restructuring to be recovered from ratepayers.

‡ The definition of Net Provincial Debt for 2002-03 has been adjusted to include the Net Investment in Capital Assets. For all other years, Net Provincial Debt represents total liabilities less financial assets.

Revenue
($ Millions)

Table C2

	Actual 1998-99	Actual 1999-00	Actual 2000-01	Actual 2001-02	Outlook 2002-03
Taxation Revenue					
Personal Income Tax	17,190	17,617	17,911	19,097	19,085
Retail Sales Tax	11,651	12,879	13,735	13,803	14,230
Corporations Tax	7,447	8,095	9,200	6,646	6,150
Employer Health Tax	2,882	3,118	3,424	3,502	3,695
Gasoline Tax	2,068	2,154	2,172	2,192	2,295
Fuel Tax	592	665	648	659	665
Tobacco Tax	447	481	504	703	1,225
Land Transfer Tax	470	565	642	665	775
Other Taxation	330	307	333	371	225
	43,077	**45,881**	**48,569**	**47,638**	**48,345**
Government of Canada					
Canada Health and Social Transfer (CHST)	3,553	4,722	4,895	6,211	6,808
Social Housing	358	466	541	524	530
Student Assistance	64	170	40	31	64
Medical Equipment Trust	-	-	190	190	-
Indian Welfare Services	155	85	131	123	127
Young Offenders Act	57	58	1	118	61
Bilingualism Development	55	65	64	61	64
Employability Assistance for People with Disabilities	71	65	63	72	33
Infrastructure	71	19	2	-	225
Other	131	235	202	424	333
	4,515	**5,885**	**6,129**	**7,754**	**8,245**
Income from Government Enterprises					
Ontario Lottery and Gaming Corporation	1,764	1,924	2,181	2,255	2,300
Liquor Control Board of Ontario	809	845	877	904	954
Ontario Power Generation Inc. and Hydro One Inc.	-	903	783	179	480
Other	(26)	36	14	7	9
	2,547	**3,708**	**3,855**	**3,345**	**3,743**
Other Revenue					
Vehicle and Driver Registration Fees	890	911	929	941	963
Other Fees and Licences	661	667	660	627	692
Liquor Licence Revenue	519	539	525	530	515
Royalties	289	345	235	224	237
Sales and Rentals	640	2,133	637	344	2,424
Independent Electricity Market Operation Revenues	-	314	344	384	181
Local Services Realignment—Reimbursement of Expenditure	2,109	1,678	1,407	1,116	751
Miscellaneous	539	870	534	983	515
	5,647	**7,457**	**5,271**	**5,149**	**6,278**
Total Revenue	**55,786**	**62,931**	**63,824**	**63,886**	**66,611**

Operating Expenditure
($ Millions)

Table C3

Ministry	Actual 1998-99	Actual 1999-00	Actual 2000-01	Actual 2001-02	Outlook 2002-03
Agriculture and Food*	309	347	401	456	645
One-Time and Extraordinary Costs	-	-	233	319	-
Attorney General	753	846	957	983	973
Board of Internal Economy	117	154	116	124	117
Citizenship	82	95	77	71	70
Community, Family and Children's Services	7,659	7,512	7,620	7,742	7,814
Consumer and Business Services	136	134	155	172	171
Culture	192	214	236	279	277
Education	7,719	7,704	7,961	8,354	8,746
Phase-in Funding	-	268	-	-	-
Teachers' Pension Plan (TPP)	67	(363)	(402)	42	149
Energy	22	329	344	367	140
Enterprise, Opportunity and Innovation	148	192	201	222	264
Environment	162	174	190	265	244
Executive Offices	17	19	21	19	21
Finance - Own Account*	998	548	842	902	802
Public Debt Interest					
Provincial	9,016	8,977	8,896	8,509	8,505
Electricity Sector	-	520	520	520	520
Community Reinvestment Fund	678	521	561	557	582
Provision for Electricity Sector	-	383	263	-	-
Health and Long-Term Care	18,867	20,373	22,184	23,713	25,452
Health Care Restructuring	50	-	-	-	-
Major One-Time Health Care Costs	639	286	487	190	-
Intergovernmental Affairs	4	4	4	4	4
Labour	108	101	104	110	114
Management Board Secretariat	353	147	145	263	230
Retirement Benefits	(219)	(165)	(33)	63	(42)
Contingency Fund	-	-	-	-	832
OPS Employee Severance (Net)	-	88	-	(17)	-
Special Circumstances Fund	180	-	-	-	
Municipal Affairs and Housing*	1,611	1,665	1,792	1,135	701
Native Affairs Secretariat	12	15	16	13	15
Natural Resources	531	460	417	438	437
Northern Development and Mines	54	67	69	75	77
Office of Francophone Affairs	3	3	4	5	3
Public Safety and Security	1,296	1,379	1,500	1,601	1,532
Tourism and Recreation	94	153	124	144	131
Training, Colleges and Universities	3,281	3,285	3,219	3,248	3,521
Transportation	634	587	593	664	772
Year-End Savings	-	-	-	-	(300)
Total Operating Expenditure	**55,573**	**57,022**	**59,817**	**61,552**	**63,519**

* Preliminary allocations and historical restatements pending finalization of new ministry structures. All other ministries reflect recently announced government structure.

Gross Capital Expenditure
($ Millions)

Table C4

Ministry	Actual 1998-99	Actual 1999-00	Actual 2000-01	Actual 2001-02	Outlook 2002-03
Agriculture and Food*	1	1	1	29	197
Attorney General	73	62	42	46	53
Community, Family and Children's Services	27	20	14	31	32
Consumer and Business Services	-	-	-	-	1
Culture	-	72	18	14	10
Education	229	52	4	17	10
Energy	-	156	86	50	69
Enterprise, Opportunity and Innovation	273	500	-	19	47
Environment	19	1	5	19	16
Water Protection Fund	15	160	17	1	3
Finance - Own Account*	4	7	7	11	24
SuperBuild Millennium Partnerships	-	-	4	-	102
Contingency Fund	-	-	-	-	92
Health and Long-Term Care	187	338	182	205	342
Major One-Time Capital Costs	-	1,004	140	-	-
Management Board Secretariat	39	13	24	28	46
Municipal Affairs and Housing*	62	(10)	-	12	7
Native Affairs Secretariat	13	7	5	3	6
Natural Resources	73	96	65	70	80
Northern Development and Mines	205	267	356	371	393
Public Safety and Security	30	124	99	88	92
Tourism and Recreation	2	159	14	9	125
Training, Colleges and Universities	71	1,028	204	49	67
Transportation	892	830	836	818	1,001
Year-End Savings	-	-	-	-	(100)
Total Gross Capital Expenditure**	**2,215**	**4,887**	**2,123**	**1,890**	**2,715**
Less: Net Investment in Capital Assets***	-	-	-	-	634
Net Capital Expenditure	2,215	4,887	2,123	1,890	2,081

* Preliminary allocations and historical restatements pending finalization of new ministry structures. All other ministries reflect recently announced government structure.

** Gross Capital Expenditure includes the following: i) acquisition or construction of major tangible capital assets owned by the Province (land, buildings and transportation infrastructure) and other tangible capital assets; ii) repairs and maintenance; and iii) transfers for capital purposes. Total gross capital expenditure includes $225 million in federal flow-through funds. Gross capital investment excluding flow-though of federal funds is $2.5 billion.

*** Starting in 2002-03, major tangible capital assets owned by the Province (land, buildings and transportation infrastructure) are accounted for on a full accrual accounting basis. Other tangible capital assets will continue to be booked as expenditure in the year of acquisition.

Schedule of Net Investment in Capital Assets
($ Millions)

Table C5

	Outlook 2002-03
Acquisition/Construction of Major Tangible Capital Assets	1,367
Amortization of Provincially Owned Major Tangible Capital Assets	(733)
Net Investment in Capital Assets*	**634**

* Starting in 2002-03, major tangible capital assets owned by the Province (land, buildings and transportation infrastructure) are accounted for on a full accrual accounting basis. Other tangible capital assets will continue to be booked as expenditure in the year of acquisition.

Transfers for Capital Purposes (Included in Gross Capital Expenditure)
($ Millions)

Table C6

Ministry	Outlook 2002-03
Agriculture and Food*	197
Community, Family and Children's Services	32
Culture	6
Enterprise, Opportunity and Innovation	47
Environment	6
Water Protection Fund	3
Finance—Own Account*	-
SuperBuild Millennium Partnerships	102
Health and Long-Term Care	303
Municipal Affairs and Housing*	4
Native Affairs Secretariat	6
Northern Development and Mines	100
Tourism and Recreation	117
Training, Colleges and Universities	65
Transportation	108
Total Transfers for Capital Purposes	**1,096**

* Preliminary allocations pending finalization of new ministry structures.

Ten-Year Review of Selected Financial and Economic Statistics ($ Millions)

	1993-94	1994-95	1995-96
Financial Transactions			
Revenue	43,674	46,039	49,473
Expenditure			
Programs	44,195	44,505	46,163
Gross Capital Expenditure	3,552	3,831	3,635
Less: Net Investment in Capital Assets*	-	-	-
Public Debt Interest			
Provincial	7,129	7,832	8,475
Electricity Sector	-	-	-
Total Expenditure	54,876	56,168	58,273
Less: Reserve	-	-	-
Add: Decrease/(Increase) in Stranded Debt from Electricity Sector Restructuring to be Recovered from Ratepayers**	-	-	-
Surplus / (Deficit) after Provisional Adjustment for CCRA Error; and Accounting Changes* **	**(11,202)**	**(10,129)**	**(8,800)**
Net Provincial Debt after Provisional Adjustment for CCRA Error; and Accounting Changes †	80,599	90,728	101,864
Accounting Changes (included in Net Provincial Debt above)			
Provisional Adjustment for CCRA Error			
Retirement Benefits			
Net Impact of Accounting Changes			
Net Provincial Debt - Before Provisional Adjustment for CCRA Error; and Accounting Changes	**80,599**	**90,728**	**101,864**
Gross Domestic Product (GDP) at Market Prices	293,405	311,096	329,317
Personal Income	256,091	260,671	271,397
Population—July (000s)	10,690	10,828	10,965
Net Provincial Debt per Capita (dollars)	7,540	8,379	9,290
Personal Income per Capita (dollars)	23,956	24,074	24,751
Total Expenditure as a per cent of GDP	18.7	18.1	17.7
Public Debt Interest as a per cent of Revenue	16.3	17.0	17.1
Net Provincial Debt as a per cent of GDP	27.5	29.2	30.9

* Starting in 2002-03, major tangible capital assets owned by the Province (land, buildings and transportation infrastructure) are accounted for on a full accrual accounting basis. Other tangible capital assets will continue to be booked as expenditure in the year of acquisition.

** Reflects the estimated excess of revenue over expenditure of the Ontario Electricity Financial Corporation (OEFC). Consistent with the principles of electricity restructuring, OEFC debt is to be recovered from ratepayers, not taxpayers.

*** Includes provisional adjustment for Canada Customs and Revenue Agency error; retirement benefits accounting policy change in accordance with new Public Sector Accounting Board recommendations; and adjustment to decrease in stranded debt from electricity sector restructuring to be recovered from ratepayers.

† The definition of Net Provincial Debt for 2002-03 has been adjusted to include the Net Investment in Capital Assets. For all other years, Net Provincial Debt represents total liabilities less financial assets.

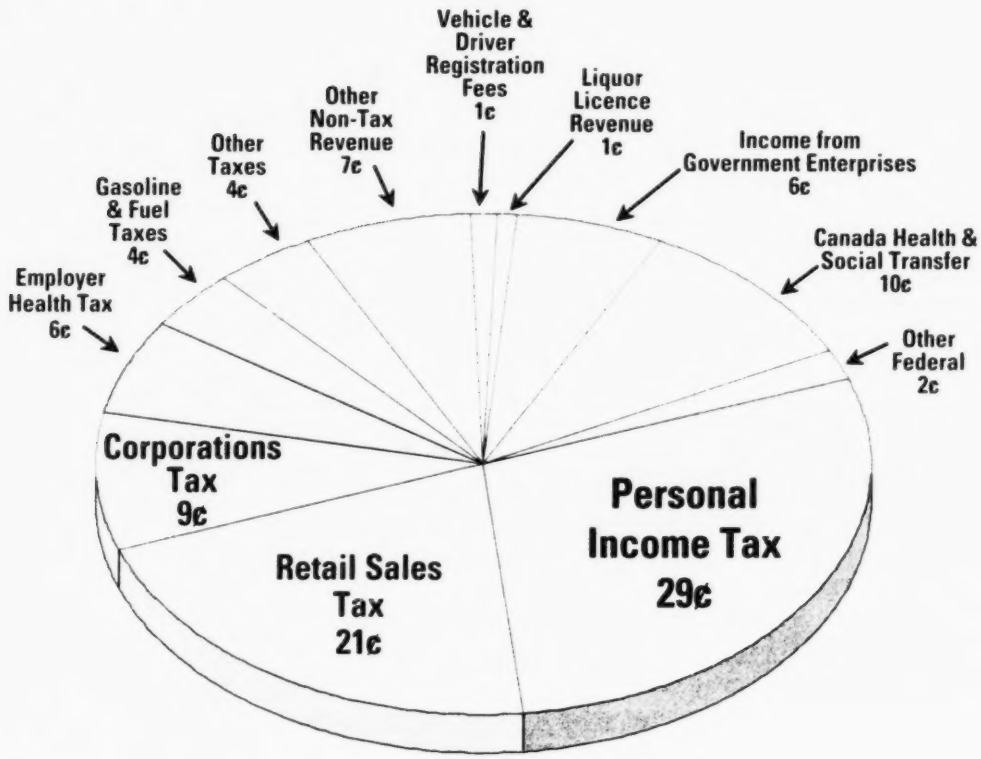
‡ Second-quarter outlook as at September 30.

Sources: Ontario Ministry of Finance and Statistics Canada.

Table C7

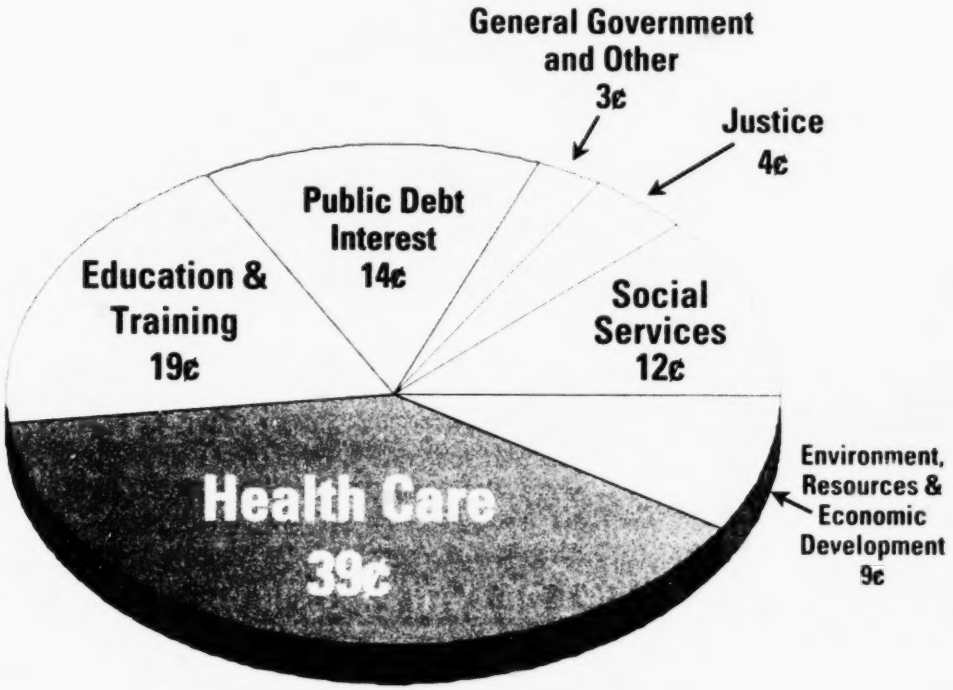
1996-97	1997-98	1998-99	1999-00	2000-01	Actual 2001-02	Outlook‡ 2002-03
49,450	52,518	55,786	62,931	63,824	63,886	66,611
45,136	45,304	46,557	47,525	50,401	52,523	54,494
2,612	2,451	2,215	4,887	2,123	1,890	2,715
-	-	-	-	-	-	634
8,607	8,729	9,016	8,977	8,896	8,509	8,505
-	-	-	520	520	520	520
56,355	56,484	57,788	61,909	61,940	63,442	65,600
-	-	-	-	-	-	1,000
-	-	-	(354)	18	(69)	(11)
(6,905)	**(3,966)**	**(2,002)**	**668**	**1,902**	**375**	**0**
108,769	112,735	114,737	113,715	112,480	112,036	112,025
				(2,043)		
				197		
				(1,846)	(1,846)	(1,846)
108,769	**112,735**	**114,737**	**113,715**	**110,634**	**110,190**	**110,179**
338,173	359,353	377,897	409,099	433,446	443,852	464,713
276,303	289,537	304,652	322,549	346,738	359,927	372,524
11,101	11,249	11,387	11,528	11,698	11,895	12,068
9,798	10,022	10,076	9,864	9,615	9,419	9,283
24,890	25,739	26,754	27,980	29,641	30,259	30,869
16.7	15.7	15.3	15.1	14.3	14.3	14.1
17.4	16.6	16.2	15.1	14.8	14.1	13.5
32.2	31.4	30.4	27.8	26.0	25.2	24.1

The Budget Dollar
Revenue
2002-03*


Vehicle & Driver Registration Fees 1¢
Liquor Licence Revenue 1¢
Other Non-Tax Revenue 7¢
Other Taxes 4¢
Gasoline & Fuel Taxes 4¢
Employer Health Tax 6¢
Income from Government Enterprises 6¢
Canada Health & Social Transfer 10¢
Other Federal 2¢
Corporations Tax 9¢
Retail Sales Tax 21¢
Personal Income Tax 29¢

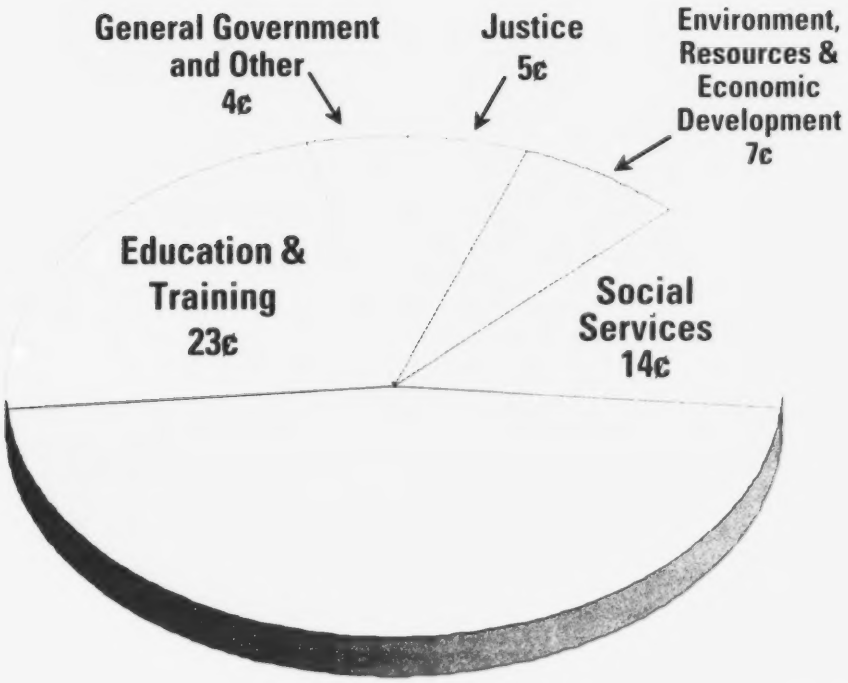
* As at September 30

The Budget Dollar
Total Expenditure
2002-03*



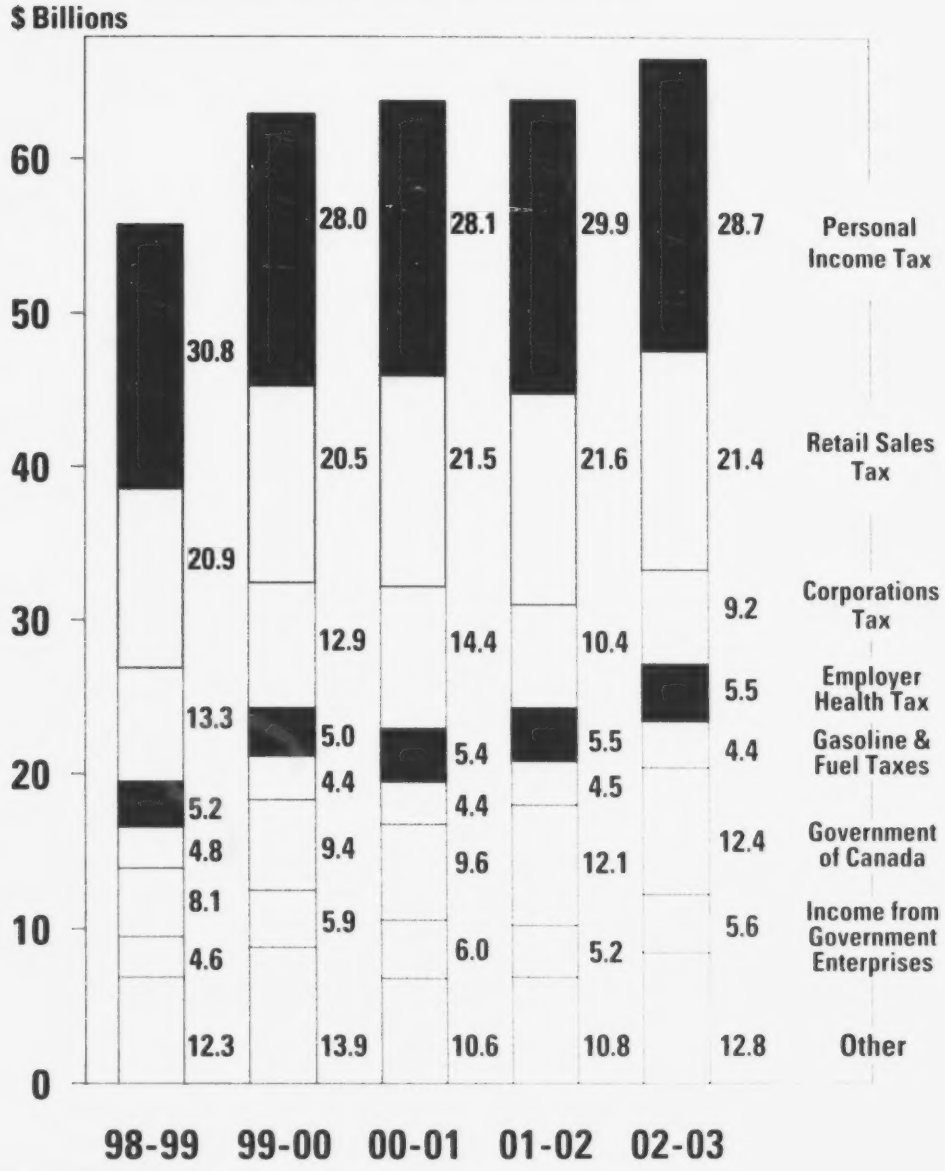
* As at September 30

The Budget Dollar
Program Expenditure
2002-03*


General Government and Other 4¢
Justice 5¢
Environment, Resources & Economic Development 7¢
Education & Training 23¢
Social Services 14¢

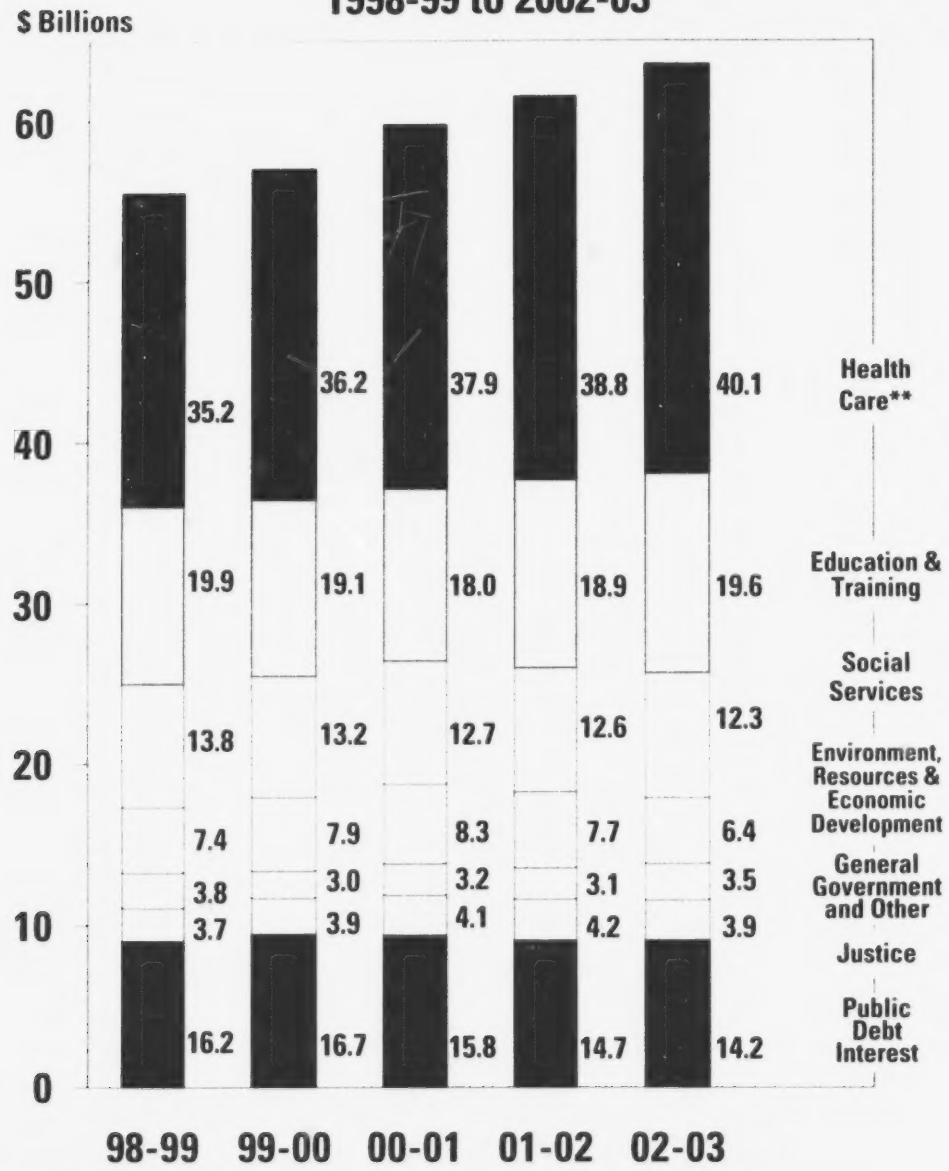
* As at September 30

Revenue Sources by Category
Per Cent of Total
1998-99 to 2002-03*



* As at September 30

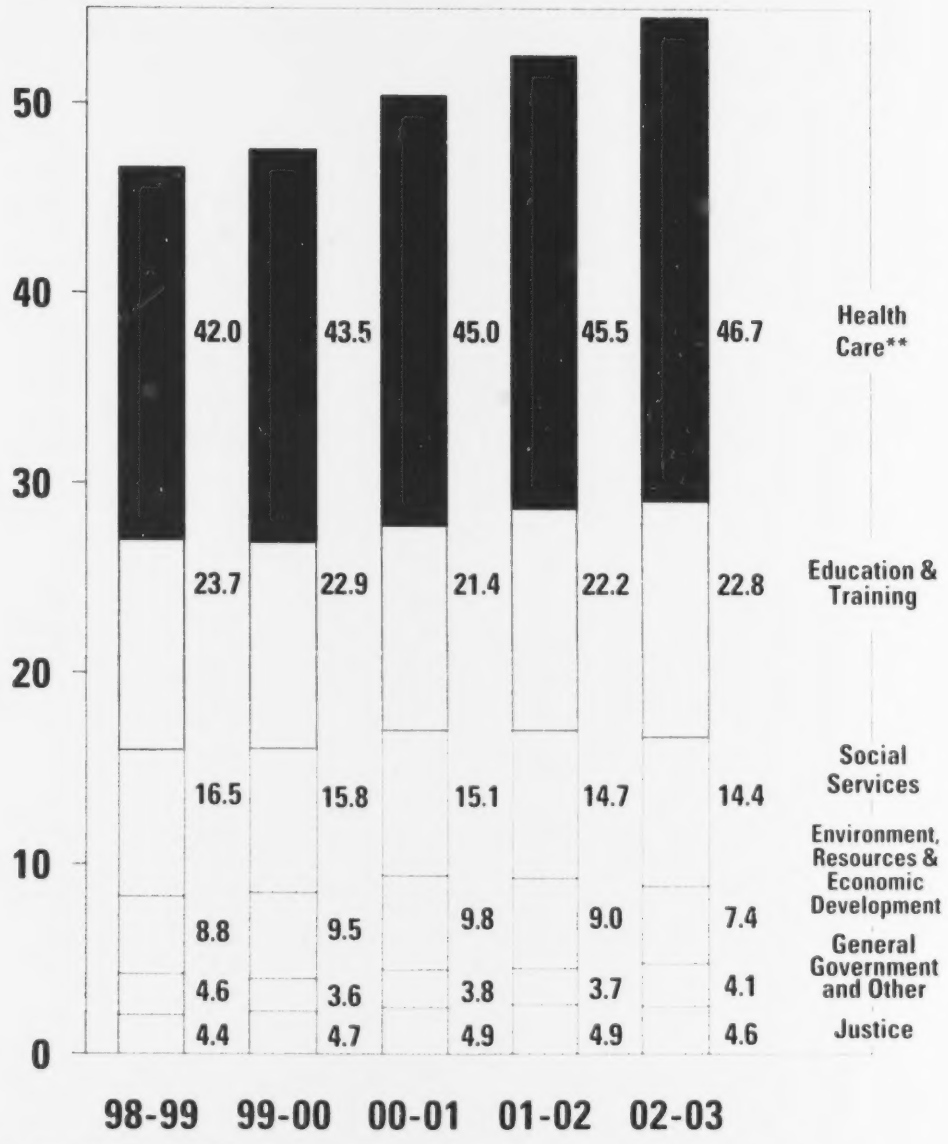
Operating Expenditure by Category
Per Cent of Total
1998-99 to 2002-03*



* As at September 30

** Includes Major One-Time Health Care Costs and Health Care Restructuring.

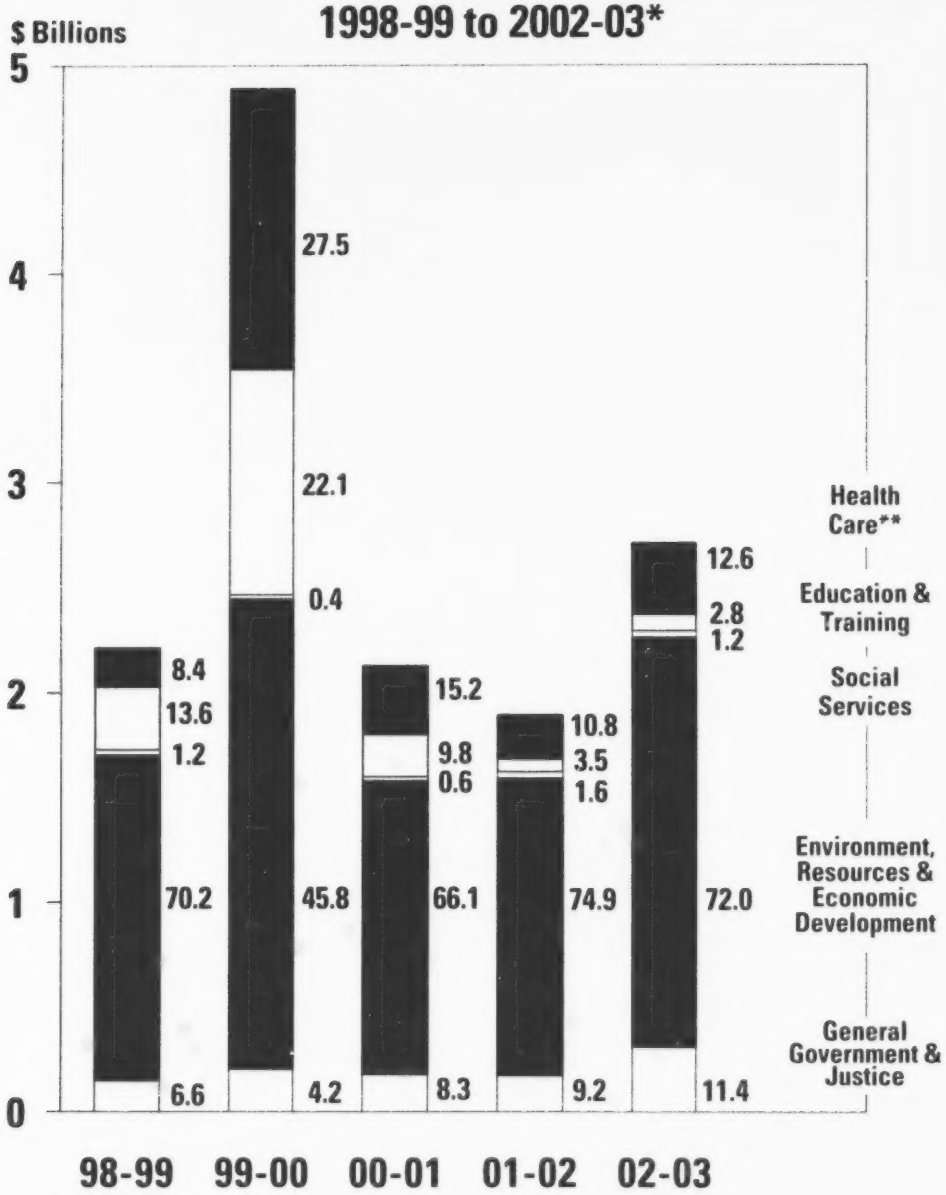
Program Expenditure by Category
Per Cent of Total
1998-99 to 2002-03*



* As at September 30

** Includes Major One-Time Health Care Costs and Health Care Restructuring.

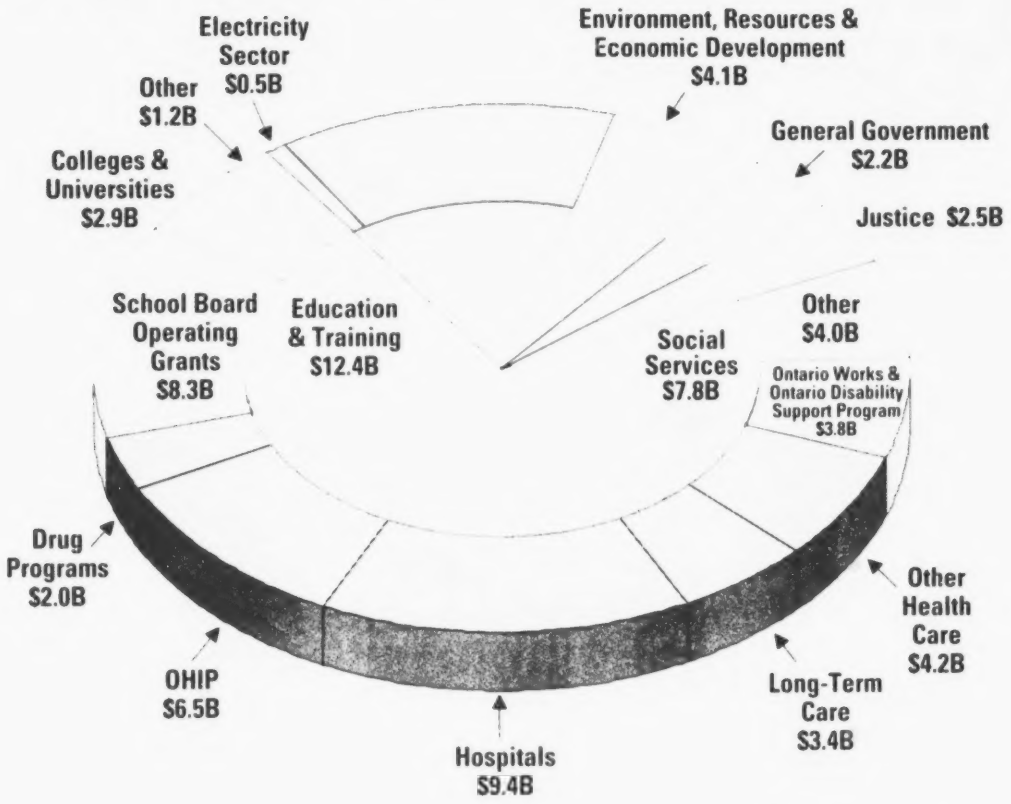
Gross Capital Expenditure by Category
Per Cent of Total
1998-99 to 2002-03*



* As at September 30

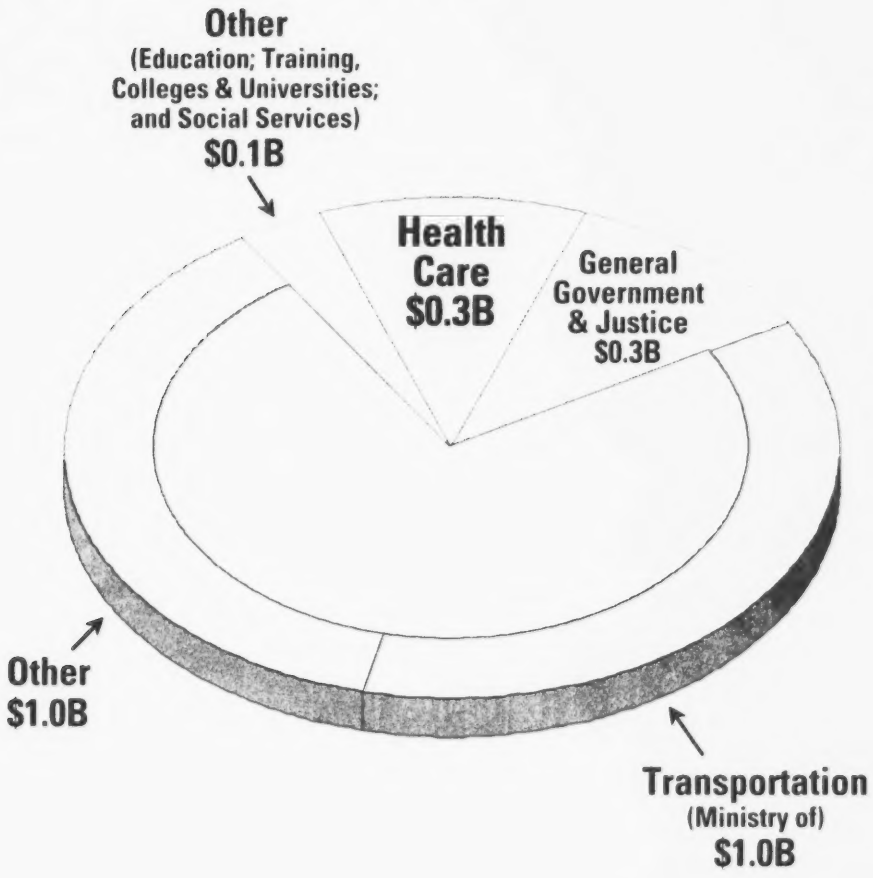
** Includes Major One-Time Health Care Capital Costs.

2002-03 Operating Expenditure by Category*
($ Billions)



* As at September 30

2002-03 Gross Capital Expenditure by Category*
($ Billions)



* As at September 30

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ONTARIO ECONOMIC REGIONS

(Note: Data in the tables may not add to totals due to rounding.)

Table 1 **Outlook for the Ontario Economy**

(Annual Average Per Cent Change)

	Actual		Private-Sector Average		
	2000	2001	2002p	2003p	2004p
Gross Domestic Product					
Real	4.6	1.5	3.5	3.5	3.9
Nominal	6.0	2.4	4.7	5.4	5.8
Other Economic Indicators					
Retail Sales	7.3	2.6	5.5	5.2	4.6
Housing Starts - Units (000s)	71.5	73.3	84.3	77.8	70.7
Personal Income	7.5	3.8	3.5	5.4	5.4
Pre-tax Corporate Profits	0.4	-15.6	4.7	4.6	10.2
Consumer Price Index (1992=100)	2.9	3.1	2.1	2.4	1.9
Labour Market					
Unemployment Rate (%)	5.7	6.3	7.1	6.7	6.4

p = private-sector projection.

Sources: Statistics Canada, Canada Mortgage and Housing Corporation, Ontario Ministry of Finance and Ministry of Finance Survey of Private-Sector Forecasts (November 2002).

Table 2 **Ontario, Gross Domestic Product, 1988-2001**

($ Billions)

	1988	1989	1990	1991	1992	1993	1994
Real GDP (chained $1997)	**312.0**	**322.5**	**316.9**	**304.5**	**307.2**	**310.2**	**328.5**
Consumption	169.4	175.7	176.3	172.9	175.3	177.7	183.1
Government	62.9	65.6	69.1	72.3	72.6	72.1	72.9
Residential Construction	22.3	24.4	19.4	16.3	17.1	15.6	15.9
Non-residential Construction	13.5	14.4	13.1	12.5	10.9	8.8	7.8
Machinery and Equipment	19.8	20.4	19.5	18.0	18.5	17.7	20.2
Exports	158.0	164.3	164.3	159.4	165.5	179.4	198.1
Imports	138.8	145.8	143.2	142.2	149.8	158.7	169.4
Nominal Gross Domestic Product	**256.4**	**278.8**	**282.8**	**283.1**	**286.5**	**293.4**	**311.1**

Table 2 (continued)

($ Billions)

	1995	1996	1997	1998	1999	2000	2001
Real GDP (chained $1997)	**340.1**	**343.8**	**359.4**	**376.7**	**405.4**	**424.1**	**430.5**
Consumption	186.6	190.9	200.1	207.1	217.0	226.6	231.7
Government	73.3	70.6	70.5	72.0	74.8	77.1	80.3
Residential Construction	13.7	15.0	17.2	16.8	19.2	20.2	20.7
Non-residential Construction	7.5	9.2	10.0	10.2	11.1	10.6	10.5
Machinery and Equipment	22.3	23.7	29.3	31.3	34.6	37.1	36.0
Exports	213.8	225.6	242.6	260.4	288.5	306.3	296.0
Imports	180.5	189.4	213.3	223.3	241.2	257.3	243.7
Nominal Gross Domestic Product	**329.3**	**338.2**	**359.4**	**377.9**	**409.1**	**433.4**	**443.9**

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 3 **Ontario, Growth in Gross Domestic Product, 1988-2001**

(Per Cent Change)

	1988	1989	1990	1991	1992	1993	1994
Real GDP (chained $1997)	**5.4**	**3.4**	**-1.7**	**-3.9**	**0.9**	**1.0**	**5.9**
Consumption	5.3	3.7	0.3	-1.9	1.4	1.3	3.1
Government	5.6	4.2	5.3	4.5	0.4	-0.7	1.1
Residential Construction	1.9	9.1	-20.2	-15.9	4.5	-8.7	2.0
Non-residential Construction	8.8	6.6	-9.0	-4.9	-12.9	-18.7	-12.2
Machinery and Equipment	16.1	3.1	-4.8	-7.2	2.4	-4.4	14.6
Exports	7.8	3.9	0.0	-3.0	3.9	8.4	10.4
Imports	12.9	5.0	-1.8	-0.7	5.3	5.9	6.8
Nominal Gross Domestic Product	**11.1**	**8.7**	**1.5**	**0.1**	**1.2**	**2.4**	**6.0**

Table 3 (continued)

(Per Cent Change)

	1995	1996	1997	1998	1999	2000	2001
Real GDP (chained $1997)	**3.5**	**1.1**	**4.5**	**4.8**	**7.6**	**4.6**	**1.5**
Consumption	1.9	2.3	4.8	3.5	4.8	4.4	2.3
Government	0.7	-3.7	-0.1	2.0	3.9	3.1	4.1
Residential Construction	-14.0	9.6	14.5	-1.8	14.0	5.3	2.4
Non-residential Construction	-2.7	21.5	9.2	1.6	9.3	-4.2	-1.1
Machinery and Equipment	9.9	6.7	23.3	6.8	10.7	7.3	-3.1
Exports	7.9	5.6	7.5	7.3	10.8	6.1	-3.3
Imports	6.6	4.9	12.6	4.7	8.0	6.7	-5.3
Nominal Gross Domestic Product	**5.9**	**2.7**	**6.3**	**5.2**	**8.3**	**6.0**	**2.4**

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 4	Ontario, Selected Economic Indicators, 1988-2001						
	1988	1989	1990	1991	1992	1993	1994
Retail Sales* ($ Billions)	69.8	72.6	72.6	67.3	68.9	71.7	76.9
Housing Starts - Units (000s)	99.9	93.3	62.6	52.8	55.8	45.1	46.6
Personal Income ($ Billions)	208.8	229.0	241.7	247.7	253.8	256.1	260.7
Pre-tax Corporate Profits ($ Billions)	29.4	27.4	19.8	14.6	14.5	17.9	27.9
Consumer Price Index (1992 = 100)	85.3	90.2	94.6	99.0	100.0	101.8	101.8
Labour Force (000s)	5,354	5,470	5,533	5,544	5,542	5,581	5,574
Employment (000s)	5,083	5,193	5,191	5,016	4,949	4,974	5,039
Unemployment Rate (%)	5.1	5.1	6.2	9.5	10.7	10.9	9.6

Table 4 (continued)	1995	1996	1997	1998	1999	2000	2001
Retail Sales* ($ Billions)	79.6	80.2	86.4	92.4	99.2	106.4	109.2
Housing Starts - Units (000s)	35.8	43.1	54.1	53.8	67.2	71.5	73.3
Personal Income ($ Billions)	271.4	276.3	289.5	304.7	322.5	346.7	359.9
Pre-tax Corporate Profits ($ Billions)	33.1	34.2	37.5	39.5	49.2	49.4	41.7
Consumer Price Index (1992 = 100)	104.3	105.9	107.9	108.9	111.0	114.2	117.7
Labour Force (000s)	5,620	5,695	5,801	5,914	6,071	6,228	6,364
Employment (000s)	5,131	5,181	5,313	5,490	5,688	5,872	5,963
Unemployment Rate (%)	8.7	9.0	8.4	7.2	6.3	5.7	6.3

* Retail sales include Federal Sales Taxes up to 1990 but exclude GST after 1990.

Sources: Statistics Canada, Ontario Ministry of Finance and Canada Mortgage and Housing Corporation.

Table 5 **Ontario, Economic Indicators, Annual Change, 1988-2001**

(Per Cent Change)

	1988	1989	1990	1991	1992	1993	1994
Retail Sales*	7.8	4.0	0.0	-7.2	2.3	4.1	7.2
Housing Starts	-5.0	-6.6	-32.9	-15.7	5.6	-19.1	3.3
Personal Income	11.3	9.7	5.5	2.5	2.5	0.9	1.8
Pre-tax Corporate Profits	14.7	-6.7	-27.8	-26.0	-0.8	23.1	55.8
Consumer Price Index	4.8	5.7	4.9	4.7	1.0	1.8	0.0
Labour Force	2.8	2.2	1.2	0.2	0.0	0.7	-0.1
Employment	3.9	2.2	0.0	-3.4	-1.3	0.5	1.3

Table 5 (continued)

(Per Cent Change)

	1995	1996	1997	1998	1999	2000	2001
Retail Sales*	3.6	0.7	7.8	6.9	7.3	7.3	2.6
Housing Starts	-23.2	20.2	25.6	-0.4	24.9	6.4	2.5
Personal Income	4.1	1.8	4.8	5.2	5.9	7.5	3.8
Pre-tax Corporate Profits	18.7	3.3	9.9	5.2	24.7	0.4	-15.6
Consumer Price Index	2.5	1.5	1.9	0.9	1.9	2.9	3.1
Labour Force	0.8	1.3	1.9	1.9	2.6	2.6	2.2
Employment	1.8	1.0	2.6	3.3	3.6	3.2	1.5

* Retail sales include Federal Sales Taxes up to 1990 but exclude GST after 1990.

Sources: Statistics Canada, Ontario Ministry of Finance and Canada Mortgage and Housing Corporation.

Table 6 **Ontario, Real Gross Domestic Product by Industry, 1998-2001**

($ Millions)

	1998	1999	2000	2001
Goods Producing Industries ($1997)	**109,382**	**117,676**	**122,260**	**118,019**
Primary Industries	7,196	7,762	7,632	7,244
Utilities	9,722	9,858	10,262	10,187
Construction	15,604	17,683	18,485	19,490
Manufacturing[1]	76,860	82,374	85,881	81,098
Services Producing Industries	**238,050**	**256,090**	**269,393**	**278,452**
Wholesale and Retail Trade	39,994	44,193	47,084	47,938
Transportation and Warehousing	14,319	15,341	16,035	15,700
Information and Cultural (incl. Telecommunications)	12,133	14,716	16,712	18,429
Finance, Insurance, Real Estate, Rental and Leasing	74,129	78,873	82,450	85,489
Professional, Scientific and Technical Services	15,677	18,060	20,085	21,561
Administrative and Other Support Services	7,861	8,566	9,137	9,465
Educational Services	17,179	17,503	17,430	17,489
Health Care and Social Assistance	19,889	20,617	21,076	21,712
Arts, Entertainment and Recreation	3,140	3,373	3,599	3,638
Accommodation and Food Services	7,575	8,079	8,287	8,492
Other Services (excl. Public Administration)	7,711	8,184	8,339	8,587
Public Administration	18,442	18,584	19,159	19,952
Total Production ($1997) at Basic Prices	**347,432**	**373,766**	**391,653**	**396,471**

Note

1 See Table 8 for detailed manufacturing industries

Sources Statistics Canada and Ontario Ministry of Finance

Table 7 Ontario, Growth in Real Gross Domestic Product by Industry, 1998-2001

(Per Cent Change)

	1998	1999	2000	2001
Goods Producing Industries ($1997)	**5.1**	**7.6**	**3.9**	**-3.5**
Primary Industries	4.9	7.9	-1.7	-5.1
Utilities	-3.0	1.4	4.1	-0.7
Construction	0.5	13.3	4.5	5.4
Manufacturing[1]	7.3	7.2	4.3	-5.6
Services Producing Industries	**4.7**	**7.6**	**5.2**	**3.4**
Wholesale and Retail Trade	10.0	10.5	6.5	1.8
Transportation and Warehousing	1.7	7.1	4.5	-2.1
Information and Cultural (incl. Telecommunications)	6.1	21.3	13.6	10.3
Finance, Insurance, Real Estate, Rental and Leasing	3.3	6.4	4.5	3.7
Professional, Scientific and Technical Services	12.7	15.2	11.2	7.4
Administrative and Other Support Services	7.7	9.0	6.7	3.6
Educational Services	1.5	1.9	-0.4	0.3
Health Care and Social Assistance	0.9	3.7	2.2	3.0
Arts, Entertainment and Recreation	-0.9	7.4	6.7	1.1
Accommodation and Food Services	8.2	6.7	2.6	2.5
Other Services (excl. Public Administration)	4.1	6.1	1.9	3.0
Public Administration	0.9	0.8	3.1	4.1
Total Production ($1997) at Basic Prices	**4.9**	**7.6**	**4.8**	**1.2**

Note:

1 See Table 9 for detailed manufacturing industries.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 8 **Ontario, Real Gross Domestic Product in Selected Manufacturing Industries, 1998-2001**

($ Millions)

	1998	1999	2000	2001
Manufacturing ($1997)	**76,860**	**82,374**	**85,881**	**81,098**
Food	6,990	6,818	7,016	7,518
Beverage and Tobacco	2,587	2,610	2,637	2,736
Clothing	935	857	851	809
Leather	164	139	101	87
Textile Products	870	798	779	702
Wood Products	1,636	1,575	1,688	1,683
Paper	3,323	3,367	3,352	3,159
Printing	2,235	2,215	2,233	2,259
Petroleum and Coal Products	626	651	647	655
Chemical Products	6,466	6,738	6,773	6,793
Plastic and Rubber Products	4,549	5,016	5,210	5,358
Non-metallic Mineral Products	2,161	2,124	2,202	2,158
Primary and Fabricated Metal	10,667	11,221	11,615	11,296
Machinery	5,715	5,502	5,483	5,017
Computer and Electronic Products	4,910	6,537	9,167	7,064
Electrical Equipment	2,320	2,343	2,682	2,328
Transportation Equipment	17,274	20,302	19,770	18,067
Of Which: Motor Vehicle, Body and Parts	14,824	17,843	17,723	16,178
Furniture and Related Products	2,259	2,329	2,709	2,534
Miscellaneous Manufacturing	1,174	1,232	969	873

Sources: Statistics Canada and Ontario Ministry of Finance

Table 9 **Ontario, Growth in Real Gross Domestic Product in Selected Manufacturing Industries, 1998-2001**

(Per Cent Change)

	1998	1999	2000	2001
Manufacturing ($1997)	**7.3**	**7.2**	**4.3**	**-5.6**
Food	9.1	-2.5	2.9	7.2
Beverage and Tobacco	6.0	0.9	1.0	3.8
Clothing	2.9	-8.3	-0.7	-5.0
Leather	4.3	-14.8	-27.8	-13.9
Textile Products	17.2	-8.2	-2.4	-9.8
Wood Products	9.1	-3.7	7.2	-0.3
Paper	-3.9	1.3	-0.4	-5.7
Printing	0.9	-0.9	0.8	1.2
Petroleum and Coal Products	5.1	4.1	-0.6	1.2
Chemical Products	5.4	4.2	0.5	0.3
Plastic and Rubber Products	4.8	10.3	3.9	2.9
Non-metallic Mineral Products	17.4	-1.7	3.7	-2.0
Primary and Fabricated Metal	6.8	5.2	3.5	-2.7
Machinery	7.1	-3.7	-0.4	-8.5
Computer and Electronic Products	12.0	33.1	40.2	-22.9
Electrical Equipment	2.1	1.0	14.5	-13.2
Transportation Equipment	7.7	17.5	-2.6	-8.6
Of Which: Motor Vehicle, Body and Parts	7.0	20.4	-0.7	-8.7
Furniture and Related Products	23.9	3.1	16.3	-6.5
Miscellaneous Manufacturing	9.8	5.0	-21.4	-9.9

Sources: Statistics Canada and Ontario Ministry of Finance

Table 10	Ontario, Housing Market Indicators, 1995-2001						
	1995	1996	1997	1998	1999	2000	2001
Residential Construction							
Current $ Millions*	**13,279**	**14,549**	**17,154**	**17,227**	**20,136**	**21,831**	**23,070**
	-13.5	9.6	17.9	0.4	16.9	8.4	5.7
New Construction*	5,933	6,489	8,257	8,351	10,560	11,514	12,319
	-20.1	9.4	27.2	1.1	26.5	9.0	7.0
Alterations and Improvements*	5,015	5,383	5,711	5,758	6,088	6,644	6,559
	-1.3	7.3	6.1	0.8	5.7	9.1	-1.3
Transfer Costs*	2,321	2,677	3,186	3,118	3,488	3,673	4,192
	-18.2	14.8	19.0	-2.1	11.9	5.3	14.1
Housing Starts (000s)*	**35.8**	**43.1**	**54.1**	**53.8**	**67.2**	**71.5**	**73.3**
	-23.2	20.2	25.6	-0.4	24.9	6.4	2.5
Home Resales (000s)*	**105.0**	**137.9**	**140.6**	**138.5**	**148.7**	**147.2**	**162.3**
	-8.9	31.4	1.9	-1.5	7.4	-1.0	10.3
Average Resale Home Price ($)*	**154,606**	**155,662**	**164,382**	**167,115**	**174,049**	**183,841**	**193,357**
	-3.5	0.7	5.6	1.7	4.1	5.6	5.2

* Per cent change is shown on second line

Sources: Statistics Canada, Canada Mortgage and Housing Corporation, Canadian Real Estate Association and Ontario Ministry of Finance

Table 11 **Selected Financial Indicators, 1988-2001**

(Per Cent)

	1988	1989	1990	1991	1992	1993	1994
Interest Rates							
Bank Rate	9.7	12.3	13.1	9.0	6.8	5.1	5.8
Prime Rate	10.8	13.3	14.1	9.9	7.5	5.9	6.9
10-Year Government Bonds	9.8	9.8	10.8	9.4	8.1	7.2	8.4
Three-month T-Bills	9.5	12.1	12.8	8.7	6.6	4.8	5.5
Mortgage Rates							
5-Year Rate	11.6	12.1	13.4	11.1	9.5	8.8	9.5
1-Year Rate	10.8	12.9	13.4	10.1	7.9	6.9	7.8
Household Debt Burden*							
Consumer	20.1	20.6	21.3	21.1	21.0	21.0	22.3
Mortgage	46.6	49.2	53.3	55.8	59.2	62.2	65.3
Total	66.7	69.8	74.6	76.9	80.1	83.2	87.6

Table 11 (continued)

(Per Cent)

	1995	1996	1997	1998	1999	2000	2001
Interest Rates							
Bank Rate	7.1	4.5	3.5	5.1	4.9	5.8	4.3
Prime Rate	8.6	6.1	5.0	6.6	6.4	7.3	5.8
10-Year Government Bonds	8.1	7.2	6.1	5.3	5.6	5.9	5.5
Three-month T-Bills	6.9	4.2	3.3	4.7	4.7	5.5	3.8
Mortgage Rates							
5-Year Rate	9.2	7.9	7.1	6.9	7.6	8.4	7.4
1-Year Rate	8.4	6.2	5.5	6.5	6.8	7.9	6.1
Household Debt Burden*							
Consumer	23.1	24.3	25.9	27.5	28.1	29.7	30.3
Mortgage	65.4	67.1	68.5	69.0	68.7	67.4	67.3
Total	88.5	91.5	94.4	96.4	96.9	97.1	97.6

* Canadian household debt as a share of personal disposable income

Note All data are annual averages

Sources Statistics Canada and Bank of Canada

Table 12 Ontario and the G-7, Real Gross Domestic Product Growth, 1988-2001

(Per Cent)

	1988	1989	1990	1991	1992	1993	1994
Ontario	5.4	3.4	-1.7	-3.9	0.9	1.0	5.9
Canada	5.0	2.6	0.2	-2.1	0.9	2.3	4.8
France	4.2	4.3	2.6	1.0	1.5	-1.0	2.0
Germany	3.7	3.6	5.7	5.0	2.2	-1.1	2.3
Italy	3.9	2.9	2.0	1.4	0.8	-0.9	2.2
Japan	6.5	5.3	5.3	3.1	0.9	0.4	1.0
United Kingdom	5.2	2.2	0.8	-1.4	0.2	2.5	4.7
United States	4.2	3.5	1.8	-0.5	3.0	2.7	4.0

Table 12 (continued)

(Per Cent)

	1995	1996	1997	1998	1999	2000	2001
Ontario	3.5	1.1	4.5	4.8	7.6	4.6	1.5
Canada	2.8	1.6	4.2	4.1	5.4	4.5	1.5
France	1.7	1.1	1.9	3.5	3.3	4.0	1.8
Germany	1.7	0.8	1.4	2.0	1.8	3.0	0.6
Italy	2.9	1.1	2.0	1.8	1.6	2.9	1.8
Japan	1.6	3.5	1.8	-1.1	0.7	2.4	-0.6
United Kingdom	2.9	2.6	3.4	2.9	2.4	3.1	1.9
United States	2.7	3.6	4.4	4.3	4.1	3.8	0.3

Sources: OECD, U.S. Department of Commerce and Statistics Canada.

Table 13 **Ontario and the G-7, Employment Growth, 1988-2001**

(Per Cent)

	1988	1989	1990	1991	1992	1993	1994
Ontario	3.9	2.2	0.0	-3.4	-1.3	0.5	1.3
Canada	3.2	2.2	0.8	-1.8	-0.7	0.8	2.0
France	0.9	1.5	1.1	0.2	-0.5	-1.3	-0.1
Germany	0.7	2.2	4.9	2.5	-1.3	-1.1	-0.6
Italy	1.1	0.1	1.8	0.9	-0.7	-4.5	-1.6
Japan	1.7	1.9	2.0	1.9	1.1	0.2	0.0
United Kingdom	3.9	3.3	1.0	-1.9	-2.4	-1.1	0.9
United States	2.2	2.1	1.2	-0.9	0.7	1.5	2.3

Table 13 (continued)

(Per Cent)

	1995	1996	1997	1998	1999	2000	2001
Ontario	1.8	1.0	2.6	3.3	3.6	3.2	1.5
Canada	1.9	0.8	2.3	2.7	2.8	2.6	1.1
France	0.8	0.2	0.6	2.0	2.4	2.7	1.8
Germany	0.1	-0.4	-0.4	1.4	1.0	0.5	0.1
Italy	-0.6	0.5	0.4	1.1	1.2	1.9	2.0
Japan	0.1	0.4	1.1	-0.7	-0.8	-0.2	-0.5
United Kingdom	1.1	1.2	1.9	1.2	2.4	1.4	0.8
United States	1.5	1.4	2.2	1.5	1.5	1.3	-0.1

Sources: OECD, U.S. Bureau of Labor Statistics and Statistics Canada.

Table 14 **Ontario and the G-7, Unemployment Rates, 1988-2001**

(Per Cent)

	1988	1989	1990	1991	1992	1993	1994
Ontario	5.1	5.1	6.2	9.5	10.7	10.9	9.6
Canada	7.8	7.5	8.1	10.3	11.2	11.4	10.4
France	9.6	9.1	8.6	9.1	10.0	11.3	11.8
Germany	6.2	5.6	4.8	4.2	6.6	7.9	8.4
Italy	9.7	9.7	8.9	8.5	8.7	10.1	11.0
Japan	2.5	2.3	2.1	2.1	2.2	2.5	2.9
United Kingdom	8.5	7.1	6.9	8.6	9.8	10.2	9.4
United States	5.5	5.3	5.6	6.8	7.5	6.9	6.1

Table 14 (continued) (Per Cent)

	1995	1996	1997	1998	1999	2000	2001
Ontario	8.7	9.0	8.4	7.2	6.3	5.7	6.3
Canada	9.4	9.6	9.1	8.3	7.6	6.8	7.2
France	11.4	11.9	11.8	11.4	10.7	9.3	8.6
Germany	8.2	8.9	9.9	9.3	8.6	7.9	7.9
Italy	11.5	11.5	11.7	11.6	11.2	10.5	9.4
Japan	3.1	3.4	3.4	4.1	4.7	4.7	5.0
United Kingdom	8.5	8.0	6.9	6.1	5.8	5.3	5.0
United States	5.6	5.4	4.9	4.5	4.2	4.0	4.8

Sources: OECD, U.S. Bureau of Labor Statistics and Statistics Canada

Table 15 **Ontario and the G-7, CPI Inflation Rates, 1988-2001**

(Per Cent)

	1988	1989	1990	1991	1992	1993	1994
Ontario	4.8	5.7	4.9	4.7	1.0	1.8	0.0
Canada	4.0	5.0	4.8	5.6	1.5	1.8	0.2
France	2.7	3.5	3.6	3.2	2.4	2.1	1.7
Germany	1.3	2.8	2.7	4.0	5.1	4.4	2.8
Italy	5.1	6.3	6.5	6.2	5.3	4.6	4.1
Japan	0.7	2.3	3.1	3.2	1.7	1.3	0.7
United Kingdom	4.9	7.8	9.5	5.9	3.7	1.6	2.5
United States	4.1	4.8	5.4	4.2	3.0	3.0	2.6

Table 15 (continued)

(Per Cent)

	1995	1996	1997	1998	1999	2000	2001
Ontario	2.5	1.5	1.9	0.9	1.9	2.9	3.1
Canada	2.2	1.6	1.6	0.9	1.7	2.7	2.6
France	1.8	2.0	1.2	0.8	0.6	1.6	1.7
Germany	1.7	1.4	1.9	0.9	0.6	2.0	2.4
Italy	5.2	4.0	2.0	2.0	1.7	2.5	2.7
Japan	-0.1	0.1	1.7	0.7	-0.3	-0.7	-0.7
United Kingdom	3.4	2.4	3.1	3.4	1.6	2.9	1.8
United States	2.8	3.0	2.3	1.6	2.2	3.4	2.8

Sources: OECD, U.S. Bureau of Labor Statistics and Statistics Canada

Table 16 **G-7, Exchange Rates, 1988-2001**

(Foreign Currency per Canadian Dollar)

	1988	1989	1990	1991	1992	1993	1994
Euro*	-	-	-	-	-	-	-
France	4.831	5.376	4.651	4.902	4.367	4.386	4.050
Germany	1.422	1.585	1.381	1.441	1.289	1.280	1.184
Italy	1052.6	1162.8	1020.4	1075.3	1020.4	1219.5	1176.5
Japan	104.1	116.3	123.5	117.2	104.7	85.8	74.7
United Kingdom	0.456	0.515	0.480	0.493	0.469	0.516	0.478
United States	0.812	0.845	0.857	0.873	0.827	0.775	0.732

Table 16 (continued)

(Foreign Currency per Canadian Dollar)

	1995	1996	1997	1998	1999	2000	2001
Euro*	-	-	-	-	0.631	0.730	0.721
France	3.631	3.750	4.211	3.968	4.139	4.787	4.730
Germany	1.043	1.103	1.251	1.183	1.234	1.427	1.410
Italy	1186.2	1131.2	1228.5	1168.2	1222.5	1412.4	1396.6
Japan	68.0	79.7	87.3	87.8	76.3	72.6	78.4
United Kingdom	0.461	0.470	0.441	0.407	0.416	0.444	0.448
United States	0.729	0.733	0.722	0.674	0.673	0.673	0.646

* Introduced January 4, 1999.

Note: All data are annual averages.

Source: Bank of Canada.

Table 17 Ontario, International Merchandise Exports by Major Commodity[1], 2001

	Value ($ Millions)	Per Cent of Total
Motor Vehicles, Parts and Accessories	76,003	37.7
Machinery and Mechanical Appliances	24,503	12.1
Electrical Machinery and Equipment	10,548	5.2
Plastics and Plastic Articles	7,255	3.6
Pulp; Paper and Allied Products	6,592	3.3
Non-ferrous Metals and Allied Products	6,438	3.2
Furniture and Fixtures, Signs, Prefabricated Buildings	4,938	2.4
Prepared Foodstuffs, Beverages and Tobacco	4,550	2.3
Other Chemical Products	3,546	1.8
Articles of Iron and Steel	3,324	1.6
Mineral Products	3,318	1.6
Aircraft, Spacecraft and Parts	3,252	1.6
Scientific, Professional and Photo Equipment, Clocks	3,039	1.5
Wood and Wood Products	2,947	1.5
Precious Metals, Stones and Coins	2,899	1.4
Iron and Steel	2,305	1.1
Rubber and Rubber Articles	2,112	1.0
Live Animals; Animal Products	1,799	0.9
Articles of Stone, Cement, Ceramic and Glass	1,538	0.8
Vegetable Products; Fats and Oils	1,470	0.7
Organic Chemicals	1,416	0.7
Textiles and Textile Articles	1,380	0.7
Pharmaceutical Products	1,299	0.6
Inorganic Chemicals; Chemical Elements and Compounds	1,138	0.6
Printed Matter	963	0.5
Railway, Rolling Stock and Parts	739	0.4
Apparel and Clothing Accessories	701	0.3
Toys, Games and Sports Equipment	573	0.3
Hides, Leather, Travel Goods and Furs	397	0.2
Miscellaneous Articles; Works of Art	295	0.1
Other Textile and Clothing Articles	222	0.1
Ships, Boats and Floating Structures	78	0.0
Headgear, Umbrellas, Artificial Flowers	49	0.0
Footwear	48	0.0
Other Commodities[2]	20,052	9.9
Total Exports	**201,723**	**100.0**

Notes

1 Ontario Ministry of Enterprise, Opportunity and Innovation definition of product groupings based on two digit Harmonized System Codes. Data are customs based

2 Other Commodities includes re-exports and special transactions

Source Industry Canada

Table 18 Ontario, International Merchandise Imports by Major Commodity[1], 2001

	Value ($ Millions)	Per Cent of Total
Motor Vehicles, Parts and Accessories	45,695	21.2
Machinery and Mechanical Appliances	43,073	20.0
Electrical Machinery and Equipment	26,529	12.3
Scientific, Professional and Photo Equipment, Clocks	8,760	4.1
Plastics and Plastic Articles	8,373	3.9
Other Chemical Products	7,681	3.6
Non-ferrous Metals and Allied Products	7,228	3.4
Prepared Foodstuffs, Beverages and Tobacco	5,300	2.5
Pharmaceutical Products	4,553	2.1
Pulp, Paper and Allied Products	4,498	2.1
Articles of Iron and Steel	4,354	2.0
Vegetable Products; Fats and Oils	4,044	1.9
Furniture and Fixtures, Signs, Prefabricated Buildings	3,819	1.8
Rubber and Rubber Articles	3,539	1.6
Organic Chemicals	3,172	1.5
Articles of Stone, Cement, Ceramic and Glass	3,020	1.4
Iron and Steel	3,005	1.4
Textiles and Textile Articles	2,815	1.3
Mineral Products	2,802	1.3
Printed Matter	2,424	1.1
Aircraft, Spacecraft and Parts	2,398	1.1
Apparel and Clothing Accessories	2,346	1.1
Toys, Games and Sports Equipment	1,981	0.9
Live Animals; Animal Products	1,739	0.8
Precious Metals, Stones and Coins	1,665	0.8
Wood and Wood Products	1,321	0.6
Inorganic Chemicals; Chemical Elements and Compounds	1,086	0.5
Footwear	740	0.3
Hides, Leather, Travel Goods and Furs	714	0.3
Miscellaneous Articles; Works of Art	665	0.3
Railway, Rolling Stock and Parts	613	0.3
Other Textile and Clothing Articles	532	0.2
Ships, Boats and Floating Structures	189	0.1
Headgear, Umbrellas, Artificial Flowers	161	0.1
Other Commodities[2]	4,533	2.1
Total Imports	**215,368**	**100.0**

Notes

1 Ontario Ministry of Enterprise, Opportunity and Innovation definition of product groupings based on two-digit Harmonized System Codes. Data are customs based.

2 Other Commodities includes trans-shipments from one province to another through a foreign jurisdiction and special transactions.

Source Industry Canada

Table 19 **Ontario, International Merchandise Trade by Major Region, 2001**

	Exports ($ Millions)	Per Cent of Total	Imports ($ Millions)	Per Cent of Total
United States	187,872	93.1	156,701	72.8
Western Europe	6,473	3.2	16,825	7.8
European Union	5,516	2.7	15,709	7.3
Other Western Europe	957	0.5	1,116	0.5
Eastern Europe	299	0.1	626	0.3
Asia	3,257	1.6	23,096	10.7
Oceania (Pacific)	462	0.2	649	0.3
Pacific Rim	3,599	1.8	22,914	10.6
Caribbean	342	0.2	171	0.1
Latin America	2,275	1.1	11,956	5.6
Mexico	1,370	0.7	9,717	4.5
Middle East	474	0.2	534	0.2
Africa	270	0.1	322	0.1
Re-imports (Canada)	0	0.0	4,489	2.1
Total	**201,723**	**100.0**	**215,368**	**100.0**

Note Data are customs based, and include re-exports.
Source Industry Canada.

Table 20 Canada, International Merchandise Trade by Major Region, 2001

	Exports ($ Millions)	Per Cent of Total	Imports ($ Millions)	Per Cent of Total
United States	350,734	87.1	218,306	63.6
Western Europe	19,702	4.9	43,377	12.6
European Union	18,312	4.6	38,392	11.2
Other Western Europe	1,390	0.3	4,985	1.5
Eastern Europe	758	0.2	1,546	0.5
Asia	19,594	4.9	46,441	13.5
Oceania (Pacific)	1,313	0.3	2,162	0.6
Pacific Rim	19,980	5.0	46,632	13.6
Caribbean	1,057	0.3	1,075	0.3
Latin America	5,969	1.5	17,774	5.2
Mexico	2,722	0.7	12,118	3.5
Middle East	1,809	0.4	2,865	0.8
Africa	1,526	0.4	2,312	0.7
Re-imports (Canada)	2	0.0	7,136	2.1
Total	**402,466**	**100.0**	**342,993**	**100.0**

Note: Data are customs based.
Source: Industry Canada.

Table 21	Ontario, Selected Demographic Characteristics, 1981-2016[1]					
	Estimates[2]			Projections[3]		
	1981	1991	2001	2006	2011	2016
Total Population (000s)	8,811	10,428	11,895	12,609	13,313	14,008
Annual Average Growth Over Preceding Year Shown (%)	1.2	1.7	1.3	1.2	1.1	1.0
Median Age (Years)	30.4	33.3	36.8	38.2	39.4	40.4
Age Group Shares (%)						
0-14	21.6	20.1	19.2	17.9	16.5	16.0
15-24	19.0	14.5	13.2	13.3	13.4	12.6
25-44	29.5	34.2	31.9	30.1	28.5	28.0
45-64	19.9	19.6	23.2	25.8	27.9	28.1
65-74	6.1	7.0	7.0	6.8	7.4	8.8
75+	3.8	4.6	5.6	6.0	6.3	6.5
Total Fertility Rate	1.6	1.6	NA	1.5	1.5	1.5
Life Expectancy (Years)						
Male	72.5	75.0	NA	77.6	78.3	79.1
Female	79.2	81.0	NA	82.3	82.8	83.3
Families (000s)[4]	2,279	2,727	3,191	NA	NA	NA
Households (000s)[4]	2,970	3,638	4,219	4,857	5,262	5,667

Notes:

1. Population figures are for July (Census year).
2. Estimates by Statistics Canada based on the 1996 Census adjusted for net Census undercoverage.
3. Projections by Ontario Ministry of Finance released in August 2002 are based on 2001 preliminary estimates by Statistics Canada (1996 Census-based).
4. Family and Household Census data and projections from Statistics Canada. Household projections based on 1996 Census.

Sources: Statistics Canada population estimates and Ontario Ministry of Finance population projections.

Table 22	Ontario, Components of Population Growth, 1992-93 to 2001-02[1]				
					(Thousands)
	1992-93	**1993-94**	**1994-95**	**1995-96**	**1996-97**
Population at Beginning of Period	**10,570.5**	**10,690.4**	**10,827.5**	**10,964.9**	**11,100.9**
Births	148.7	147.1	147.2	143.1	136.3
Deaths	74.6	77.3	78.2	77.7	80.4
Immigrants	145.0	119.6	119.8	115.4	119.6
Net Emigrants[3]	9.0	9.6	10.3	10.2	25.0
Interprovincial Arrivals	66.4	64.6	66.9	69.1	70.0
Interprovincial Departures	80.6	74.0	69.7	71.9	68.0
Net Change in Non-permanent Residents	-54.4	-12.0	-16.9	-12.2	-3.9
Population Growth During Period	120.0	137.1	137.4	136.0	148.8
Population at End of Period [2]	**10,690.4**	**10,827.5**	**10,964.9**	**11,100.9**	**11,249.5**
Population Growth (%)	1.1	1.3	1.3	1.2	1.3

Table 22 (continued)					(Thousands)
	1997-98	**1998-99**	**1999-00**	**2000-01**	**2001-02**
Population at Beginning of Period	**11,249.5**	**11,387.4**	**11,527.9**	**11,697.6**	**11,894.9**
Births	133.2	130.8	131.1	127.6	127.5
Deaths	80.1	81.3	82.6	85.2	89.0
Immigrants	106.5	91.9	116.7	150.0	152.8
Net Emigrants[3]	27.7	29.3	31.0	32.8	34.8
Interprovincial Arrivals	75.2	72.8	78.9	74.5	81.7
Interprovincial Departures	66.0	56.1	56.5	55.9	74.4
Net Change in Non-permanent Residents	-3.2	10.6	13.2	19.1	9.6
Population Growth During Period	139.8	141.2	168.8	197.3	173.4
Population at End of Period [2]	**11,387.4**	**11,527.9**	**11,697.6**	**11,894.9**	**12,068.3**
Population Growth (%)	1.2	1.2	1.5	1.7	1.5

Notes:

1. Data are from July 1 to June 30 (Census year).
2. The sum of the components does not equal the total change in population due to residual errors.
3. Net emigrants = Emigrants minus returning emigrants. From 1996-97, the number of emigrants also includes persons living temporarily abroad.

Source: Statistics Canada

Table 23	Ontario, Labour Force, 1988-2001						
	1988	1989	1990	1991	1992	1993	1994
Labour Force (000s)	5,354	5,470	5,533	5,544	5,542	5,581	5,574
Annual Labour Force Growth (%)	2.8	2.2	1.2	0.2	0.0	0.7	-0.1
Participation Rate (%)							
Male	78.6	78.8	78.0	76.4	75.1	74.4	73.5
Female	61.0	61.3	61.4	61.0	60.0	59.5	58.8
Share of Labour Force (%)							
Youth (15-24)	21.4	20.6	19.6	18.6	18.1	17.3	16.8
Older Worker (45+)	25.9	26.0	26.3	26.6	27.4	28.0	28.8

Table 23 (continued)							
	1995	1996	1997	1998	1999	2000	2001
Labour Force (000s)	5,620	5,695	5,801	5,914	6,071	6,228	6,364
Annual Labour Force Growth (%)	0.8	1.3	1.9	1.9	2.6	2.6	2.2
Participation Rate (%)							
Male	72.9	72.6	72.8	72.6	73.2	73.4	73.5
Female	58.7	58.9	59.1	59.7	60.4	61.2	61.4
Share of Labour Force (%)							
Youth (15-24)	16.4	16.2	15.9	15.7	16.0	16.1	15.9
Older Worker (45+)	29.1	29.5	30.2	30.6	31.3	32.0	32.5

Source: Statistics Canada.

Table 24	Ontario, Employment, 1988-2001						
	1988	1989	1990	1991	1992	1993	1994
Total Employment (000s)	5,083	5,193	5,191	5,016	4,949	4,974	5,039
Male	2,823	2,875	2,851	2,717	2,661	2,688	2,729
Female	2,260	2,318	2,340	2,299	2,288	2,286	2,311
Annual Employment Growth (%)	3.9	2.2	0.0	-3.4	-1.3	0.5	1.3
Net Job Creation (000s)	190	111	-2	-176	-67	25	65
Private-sector Employment (000s)	4,135	4,225	4,174	3,986	3,899	3,912	3,974
Broader Public-sector Employment (000s)[1]	947	969	1,018	1,029	1,050	1,062	1,065
Manufacturing Employment (% of total)	20.8	20.1	19.2	18.0	17.3	16.5	16.6
Services Employment (% of total)	68.7	68.9	70.0	71.7	72.7	73.8	74.0
Part-time (% of total)	16.7	16.7	17.1	18.3	18.6	19.7	19.0
Average Hours Worked Per Week[2]	38.2	38.5	38.1	37.3	36.7	37.2	37.6

Table 24 (continued)	1995	1996	1997	1998	1999	2000	2001
Total Employment (000s)	5,131	5,181	5,313	5,490	5,688	5,872	5,963
Male	2,777	2,798	2,879	2,952	3,058	3,146	3,184
Female	2,353	2,383	2,435	2,538	2,630	2,726	2,779
Annual Employment Growth (%)	1.8	1.0	2.6	3.3	3.6	3.2	1.5
Net Job Creation (000s)	91	50	133	177	198	184	91
Private-sector Employment (000s)	4,078	4,163	4,317	4,466	4,653	4,817	4,915
Broader Public-sector Employment (000s)[1]	1,052	1,018	996	1,024	1,035	1,055	1,048
Manufacturing Employment (% of total)	17.1	17.4	17.7	18.0	18.4	18.7	18.2
Services Employment (% of total)	73.7	73.6	73.4	73.2	72.7	72.7	73.1
Part-time (% of total)	18.8	19.3	19.2	18.6	18.0	17.9	17.8
Average Hours Worked Per Week[2]	37.2	37.6	37.8	37.8	37.9	38.1	37.5

Notes:

1. Broader Public Sector includes Public Administration, Health Care and Social Assistance, and Educational Services, except for certain private-sector components such as offices of health practitioners and some private-sector educational institutions. Industry groupings are based on the North American Industry Classification System (NAICS).
2. Average actual hours worked per week at all jobs, excluding persons not at work, in reference week.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 25	Ontario, Unemployment, 1988-2001						
	1988	1989	1990	1991	1992	1993	1994
Total Unemployment (000s)	271	276	342	528	593	607	535
Unemployment Rate (%)	5.1	5.1	6.2	9.5	10.7	10.9	9.6
Male	4.7	4.8	6.2	10.0	11.9	11.5	10.0
Female	5.6	5.4	6.1	8.9	9.3	10.1	9.1
Toronto CMA[1]	3.8	4.0	5.2	9.5	11.2	11.4	10.4
Northern Ontario	8.0	7.3	8.1	11.4	12.6	12.4	11.6
Youth (15-24)	7.9	7.7	10.0	15.0	17.4	17.5	15.5
Older Workers (45+)	3.6	3.3	4.0	6.8	7.4	7.6	7.0
Unemployment (% of total)							
Long-term (27 weeks+)	12.8	13.2	13.7	22.5	29.7	33.4	32.3
Youth (15-24)	33.2	31.3	31.7	29.3	29.5	27.8	27.1
Older Workers (45+)	18.3	17.0	16.9	19.0	19.0	19.5	21.1
Average Duration (weeks)[2]	13.4	13.5	13.7	18.5	23.3	26.9	27.5
Youth (15-24)	8.6	8.4	10.0	13.5	16.6	18.4	17.8
Older Workers (45+)	20.0	19.5	18.9	22.7	29.7	33.7	34.6

Table 25 (continued)	1995	1996	1997	1998	1999	2000	2001
Total Unemployment (000s)	489	515	488	424	383	356	402
Unemployment Rate (%)	8.7	9.0	8.4	7.2	6.3	5.7	6.3
Male	8.9	9.0	8.2	7.1	6.2	5.5	6.4
Female	8.5	9.0	8.7	7.2	6.4	5.9	6.2
Toronto CMA[1]	8.6	9.1	8.0	7.0	6.1	5.5	6.3
Northern Ontario	9.9	10.7	10.4	11.0	9.0	8.2	7.9
Youth (15-24)	14.6	14.9	16.4	14.4	13.1	11.8	12.5
Older Workers (45+)	6.5	6.4	5.9	5.3	4.2	4.0	4.4
Unemployment (% of total)							
Long-term (27 weeks+)	29.4	28.3	25.5	21.8	19.0	15.4	12.9
Youth (15-24)	27.5	26.6	30.9	31.5	33.3	33.1	31.6
Older Workers (45+)	21.7	20.8	21.3	22.6	20.7	22.4	22.9
Average Duration (weeks)[2]	25.8	24.8	26.6	23.2	21.2	17.8	15.4
Youth (15-24)	16.2	15.4	13.7	12.7	11.5	9.8	8.7
Older Workers (45+)	33.4	31.1	42.6	39.2	33.6	28.1	25.8

Notes:

1. CMA is Census Metropolitan Area. Toronto CMA includes the City of Toronto; the Regions of York, Peel and Halton (excluding Burlington); Uxbridge, Pickering, Ajax, Mono, Orangeville, New Tecumseth and Bradford West Gwillimbury.
2. Prior to 1997, unemployment of 100 or more weeks was recorded as 99 due to data processing limitations. This restriction was removed for data after 1996.

Source: Statistics Canada.

Table 26 Ontario, Employment Insurance (EI) and Social Assistance, 1988-2001	1988	1989	1990	1991	1992	1993	1994
EI Regular Beneficiaries (000s)	172	167	225	319	322	294	228
EI Maximum Insurable Earnings ($)[1]	565	605	640	680	710	745	780
EI Maximum Weekly Entitlement ($)	339	363	384	408	426	425	429
EI Premium Rate							
Employer ($/$100 Insurable Earnings)	3.29	2.73	3.15	3.15/3.92[2]	4.20	4.20	4.30
Employee ($/$100 Insurable Earnings)	2.35	1.95	2.25	2.25/2.80[2]	3.00	3.00	3.07
EI Total Benefits Paid ($ millions)[3]	2,370	2,470	3,419	5,362	5,845	5,406	4,511
EI Premiums Paid ($ millions)[3]	4,879	4,359	5,432	6,220	7,353	7,567	8,067
Social Assistance Caseload (000s)[5]	289	307	366	499	608	660	673

Table 26 (continued)	1995	1996	1997	1998	1999	2000	2001
EI Regular Beneficiaries (000s)	181	180	151	131	110	101	122
EI Maximum Insurable Earnings ($)[1]	815	750	39,000	39,000	39,000	39,000	39,000
EI Maximum Weekly Entitlement ($)	448	413	413	413	413	413	413
EI Premium Rate							
Employer ($/$100 Insurable Earnings)	4.20	4.13	4.06	3.78	3.57	3.36	3.15
Employee ($/$100 Insurable Earnings)	3.00	2.95	2.90	2.70	2.55	2.40	2.25
EI Total Benefits Paid ($ millions)[3]	3,796	3,653	3,436	3,141	3,051	2,787	3,536
EI Premiums Paid ($ millions)[3]	7,929	7,582	8,173	7,679	7,614	7,668	7,511[4]
Social Assistance Caseload (000s)[5]	660	599	568	529	479	436	408

Notes:

1. Effective January 1, 1997, the maximum weekly insurable earnings of $750 was eliminated and replaced with an annual maximum set at $39,000
2. Premium rates for 1991 changed at mid-year.
3. Employment Insurance benefit payments are on a cash basis; premiums are paid on an accrual basis.
4. Premiums paid in 2001 are Ontario Ministry of Finance estimates.
5. The number of social assistance cases from 1998 to 2001 includes recipients of the Ontario Works program, the Ontario Disability Support Program, Temporary Care Assistance and the Assistance for Children with Severe Disabilities program. The *Ontario Works Act* was proclaimed in May 1998 and replaced the *General Welfare Act*. The *Ontario Disability Support Program Act* was proclaimed in June 1998.

Sources: Statistics Canada, Human Resources Development Canada, Ontario Ministry of Finance and Ontario Ministry of Community, Family and Children's Services.

Table 27	Ontario, Labour Compensation, 1988-2001						
	1988	1989	1990	1991	1992	1993	1994
Average Weekly Earnings ($)[1]	NA	NA	NA	576.88	599.56	612.76	628.50
Increase (%)	NA	NA	NA	NA	3.9	2.2	2.6
CPI Inflation (%)	4.8	5.7	4.9	4.7	1.0	1.8	0.0
AWE Increase Less CPI Inflation (%)	NA	NA	NA	NA	2.9	0.4	2.6
AWE - Manufacturing ($)	NA	NA	NA	683.30	716.55	739.20	761.95
Increase (%)	NA	NA	NA	NA	4.9	3.2	3.1
Increase Less CPI Inflation (%)	NA	NA	NA	NA	3.9	1.4	3.1
Wage Settlement Increases (%)[2]							
All Sectors	4.7	5.6	6.5	4.9	2.7	1.0	0.4
Public	4.7	5.8	6.8	5.0	2.6	0.5	0.1
Private	4.6	5.1	6.3	4.6	2.7	1.9	1.1
Person Days Lost Due to Strikes and Lockouts (000s)	1,362	869	2,958	454	578	371	488
Minimum Wage at Year End ($/hour)	4.75	5.00	5.40	6.00	6.35	6.35	6.70

Table 27 (continued)	1995	1996	1997	1998	1999	2000	2001
Average Weekly Earnings ($)[1]	634.47	649.71	663.51	672.14	681.97	697.77	711.04
Increase (%)	0.9	2.4	2.1	1.3	1.5	2.3	1.9
CPI Inflation (%)	2.5	1.5	1.9	0.9	1.9	2.9	3.1
AWE Increase Less CPI Inflation (%)	-1.6	0.9	0.2	0.4	-0.4	-0.6	-1.2
AWE - Manufacturing ($)	770.80	794.09	821.28	841.39	851.17	869.40	882.75
Increase (%)	1.2	3.0	3.4	2.4	1.2	2.1	1.5
Increase Less CPI Inflation (%)	-1.3	1.5	1.5	1.5	-0.7	-0.8	-1.6
Wage Settlement Increases (%)[2]							
All Sectors	1.0	1.1	1.2	1.6	2.1	2.7	2.9
Public	0.2	0.3	0.7	1.3	1.4	2.7	2.9
Private	1.7	2.2	2.3	2.1	3.1	2.4	3.0
Person Days Lost Due to Strikes and Lockouts (000s)	477	1,915	1,904	1,061	651	650	672
Minimum Wage at Year End ($/hour)	6.85	6.85	6.85	6.85	6.85	6.85	6.85

Notes:

1. Average Weekly Earnings (AWE) includes overtime. In 2001, Statistics Canada changed its estimates of AWE from the 1980 Standard Industrial Classification (SIC) to the North American Industry Classification System (NAICS). AWE based on NAICS is available only back to 1991.
2. Wage settlement increases are for collective agreements covering 200 or more employees.

Sources: Statistics Canada, Ontario Ministry of Labour and Ontario Ministry of Finance.

Table 28	Ontario, Employment by Occupation, 1990-2001					(Thousands)
	1990	1991	1992	1993	1994	1995
Management	484	516	494	523	507	547
Business, Finance and Administrative	1,094	1,038	1,033	993	997	1,009
Natural and Applied Sciences	270	277	264	256	260	284
Health	236	249	243	260	258	256
Social Science, Education, Government Service and Religion	315	318	343	340	374	342
Art, Culture, Recreation and Sport	130	122	128	139	150	143
Sales and Service	1,199	1,161	1,174	1,207	1,197	1,223
Trades, Transport and Equipment Operators	799	742	703	701	715	732
Primary Industry	159	151	148	153	148	145
Processing, Manufacturing and Utilities	506	442	419	403	435	450
Total	**5,191**	**5,016**	**4,949**	**4,974**	**5,039**	**5,131**

Table 28 (continued)						(Thousands)
	1996	1997	1998	1999	2000	2001
Management	537	548	552	550	566	557
Business, Finance and Administrative	995	993	1,031	1,054	1,079	1,131
Natural and Applied Sciences	285	314	345	389	423	448
Health	250	265	260	272	279	282
Social Science, Education, Government Service and Religion	341	345	359	390	401	404
Art, Culture, Recreation and Sport	148	148	155	169	172	180
Sales and Service	1,255	1,264	1,316	1,351	1,408	1,434
Trades, Transport and Equipment Operators	743	779	798	792	806	823
Primary Industry	142	145	139	153	142	131
Processing, Manufacturing and Utilities	485	512	536	569	597	573
Total	**5,181**	**5,313**	**5,490**	**5,688**	**5,872**	**5,963**

Note: Occupational groupings based on Standard Occupational Classification 1991 (SOC91).
Source: Statistics Canada.

Table 29 **Ontario, Distribution of Employment by Occupation, 1990-2001**

(Per Cent)

	1990	1991	1992	1993	1994	1995
Management	9.3	10.3	10.0	10.5	10.1	10.7
Business, Finance and Administrative	21.1	20.7	20.9	20.0	19.8	19.7
Natural and Applied Sciences	5.2	5.5	5.3	5.1	5.1	5.5
Health	4.5	5.0	4.9	5.2	5.1	5.0
Social Science, Education, Government Service and Religion	6.1	6.3	6.9	6.8	7.4	6.7
Art, Culture, Recreation and Sport	2.5	2.4	2.6	2.8	3.0	2.8
Sales and Service	23.1	23.1	23.7	24.3	23.8	23.8
Trades, Transport and Equipment Operators	15.4	14.8	14.2	14.1	14.2	14.3
Primary Industry	3.1	3.0	3.0	3.1	2.9	2.8
Processing, Manufacturing and Utilities	9.8	8.8	8.5	8.1	8.6	8.8
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Table 29 (continued)

(Per Cent)

	1996	1997	1998	1999	2000	2001
Management	10.4	10.3	10.1	9.7	9.6	9.3
Business, Finance and Administrative	19.2	18.7	18.8	18.5	18.4	19.0
Natural and Applied Sciences	5.5	5.9	6.3	6.8	7.2	7.5
Health	4.8	5.0	4.7	4.8	4.7	4.7
Social Science, Education, Government Service and Religion	6.6	6.5	6.5	6.9	6.8	6.8
Art, Culture, Recreation and Sport	2.9	2.8	2.8	3.0	2.9	3.0
Sales and Service	24.2	23.8	24.0	23.7	24.0	24.0
Trades, Transport and Equipment Operators	14.3	14.7	14.5	13.9	13.7	13.8
Primary Industry	2.7	2.7	2.5	2.7	2.4	2.2
Processing, Manufacturing and Utilities	9.4	9.6	9.8	10.0	10.2	9.6
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Note: Occupational groupings based on Standard Occupational Classification 1991 (SOC91).
Source: Statistics Canada.

Table 30 Ontario, Employment by Industry, 1992-2001

(Thousands)

	1992	1993	1994	1995	1996
Goods Producing Industries	**1,352**	**1,302**	**1,312**	**1,348**	**1,366**
Primary Industries	162	159	155	152	151
Agriculture	110	114	112	107	105
Manufacturing	857	822	838	878	904
Construction	269	264	271	269	261
Utilities	64	57	49	49	50
Services Producing Industries	**3,597**	**3,672**	**3,727**	**3,782**	**3,815**
Trade	765	778	771	767	783
Transportation and Warehousing	212	221	236	242	244
Finance, Insurance, Real Estate and Leasing	367	367	355	365	372
Professional, Scientific and Technical Services	267	270	282	302	313
Management, Administrative and Other Support	144	152	158	174	181
Educational Services	346	356	364	358	340
Health Care and Social Assistance	484	496	503	510	503
Information, Culture and Recreation	202	209	223	233	232
Accommodation and Food Services	277	281	288	293	315
Public Administration	318	318	314	305	290
Other Services	216	225	234	235	242
Total Employment	**4,949**	**4,974**	**5,039**	**5,131**	**5,181**

Table 30 (continued) **Ontario, Employment by Industry, 1992-2001**

(Thousands)

	1997	1998	1999	2000	2001
Goods Producing Industries	**1,412**	**1,469**	**1,550**	**1,602**	**1,602**
Primary Industries	143	144	152	133	122
Agriculture	103	106	114	98	84
Manufacturing	939	989	1,049	1,099	1,088
Construction	282	288	300	324	343
Utilities	48	49	50	46	50
Services Producing Industries	**3,902**	**4,021**	**4,138**	**4,271**	**4,361**
Trade	802	813	850	874	924
Transportation and Warehousing	248	261	260	278	276
Finance, Insurance, Real Estate and Leasing	377	376	384	385	395
Professional, Scientific and Technical Services	350	372	397	424	437
Management, Administrative and Other Support	194	210	224	246	249
Educational Services	340	347	368	369	358
Health Care and Social Assistance	495	518	518	544	553
Information, Culture and Recreation	248	243	257	282	299
Accommodation and Food Services	316	335	340	343	342
Public Administration	279	284	286	274	275
Other Services	251	262	254	252	254
Total Employment	**5,313**	**5,490**	**5,688**	**5,872**	**5,963**

Note: Industrial groupings based on North American Industry Classification System (NAICS).
Source: Statistics Canada.

Table 31 Ontario, Growth in Employment by Industry, 1992-2001

(Per Cent Change)

	1992	1993	1994	1995	1996
Goods Producing Industries	**-4.8**	**-3.7**	**0.8**	**2.7**	**1.3**
Primary Industries	-2.3	-1.5	-2.5	-1.8	-0.9
Agriculture	-1.7	3.3	-2.2	-4.3	-1.5
Manufacturing	-5.3	-4.2	2.0	4.8	2.9
Construction	-5.6	-1.9	2.5	-0.7	-2.6
Utilities	0.3	-11.5	-13.9	0.6	1.6
Services Producing Industries	**0.0**	**2.1**	**1.5**	**1.5**	**0.9**
Trade	0.9	1.6	-0.9	-0.6	2.2
Transportation and Warehousing	-5.0	4.5	6.6	2.8	0.6
Finance, Insurance, Real Estate and Leasing	-3.8	0.0	-3.4	2.8	2.2
Professional, Scientific and Technical Services	-0.6	1.1	4.4	7.0	3.8
Management, Administrative and Other Support	0.8	5.7	3.8	9.9	4.0
Educational Services	3.7	3.0	2.2	-1.7	-5.0
Health Care and Social Assistance	0.4	2.5	1.5	1.4	-1.4
Information, Culture and Recreation	-1.3	3.4	6.7	4.6	-0.5
Accommodation and Food Services	2.1	1.3	2.5	1.8	7.4
Public Administration	0.7	0.2	-1.4	-2.8	-4.9
Other Services	0.6	4.1	4.2	0.4	3.1
Total Employment	**-1.3**	**0.5**	**1.3**	**1.8**	**1.0**

Table 31 (continued) **Ontario, Growth in Employment by Industry, 1992-2001**

(Per Cent Change)

	1997	1998	1999	2000	2001
Goods Producing Industries	**3.4**	**4.1**	**5.5**	**3.3**	**0.0**
Primary Industries	-5.5	1.1	5.6	-12.7	-8.5
Agriculture	-2.5	3.1	7.9	-14.4	-14.2
Manufacturing	3.9	5.4	6.0	4.8	-1.0
Construction	8.0	1.8	4.4	7.8	6.1
Utilities	-3.2	1.0	1.2	-6.3	7.1
Services Producing Industries	**2.3**	**3.0**	**2.9**	**3.2**	**2.1**
Trade	2.4	1.4	4.5	2.8	5.7
Transportation and Warehousing	1.8	5.3	-0.5	7.0	-0.7
Finance, Insurance, Real Estate and Leasing	1.3	-0.5	2.3	0.3	2.4
Professional, Scientific and Technical Services	11.7	6.3	6.5	6.8	3.1
Management, Administrative and Other Support	7.4	8.0	7.0	9.5	1.5
Educational Services	0.0	2.1	6.2	0.2	-3.0
Health Care and Social Assistance	-1.5	4.6	0.0	5.0	1.5
Information, Culture and Recreation	7.0	-2.1	5.7	9.9	6.1
Accommodation and Food Services	0.6	5.8	1.6	0.7	-0.3
Public Administration	-3.7	1.6	0.6	-4.0	0.3
Other Services	3.5	4.6	-3.3	-0.8	0.9
Total Employment	**2.6**	**3.3**	**3.6**	**3.2**	**1.5**

Note: Industrial groupings based on North American Industry Classification System (NAICS).
Source: Statistics Canada.

Table 32 Ontario, Employment Level by Economic Regions, 1991-2002[2]

(Thousands)

	1991	1992	1993	1994	1995	1996
Ontario	**5,016**	**4,949**	**4,974**	**5,039**	**5,131**	**5,181**
Region:*						
East	**689**	**682**	**683**	**701**	**674**	**674**
Ottawa (510)	513	508	503	521	501	508
Kingston-Pembroke (515)	176	174	180	180	172	166
Greater Toronto Area (530)[1]	**2,130**	**2,104**	**2,118**	**2,115**	**2,215**	**2,242**
Central	**1,163**	**1,149**	**1,139**	**1,173**	**1,194**	**1,209**
Muskoka-Kawarthas (520)	136	140	136	137	148	148
Kitchener-Waterloo-Barrie (540)	449	450	458	470	469	478
Hamilton-Niagara Peninsula (550)	578	559	546	567	577	583
Southwest	**682**	**676**	**689**	**705**	**686**	**699**
London (560)	281	275	285	288	285	278
Windsor-Sarnia (570)	263	266	267	274	271	279
Stratford-Bruce Peninsula (580)	138	135	137	143	130	142
North	**352**	**337**	**344**	**345**	**362**	**357**
Northeast (590)	244	233	238	237	248	247
Northwest (595)	108	104	106	108	114	110

Table 32 (continued)

(Thousands)

	1997	1998	1999	2000	2001	2002[2]
Ontario	**5,313**	**5,490**	**5,688**	**5,872**	**5,963**	**6,049**
Region:*						
East	**685**	**726**	**750**	**757**	**776**	**784**
Ottawa (510)	516	543	555	573	587	589
Kingston-Pembroke (515)	170	183	195	184	189	195
Greater Toronto Area (530)[1]	**2,348**	**2,426**	**2,511**	**2,616**	**2,689**	**2,731**
Central	**1,230**	**1,276**	**1,322**	**1,371**	**1,374**	**1,396**
Muskoka-Kawarthas (520)	150	152	161	165	157	158
Kitchener-Waterloo-Barrie (540)	496	515	543	552	562	581
Hamilton-Niagara Peninsula (550)	584	609	618	654	655	657
Southwest	**704**	**714**	**744**	**763**	**757**	**767**
London (560)	283	286	299	307	304	306
Windsor-Sarnia (570)	277	286	296	304	305	309
Stratford-Bruce Peninsula (580)	145	142	149	152	148	152
North	**345**	**348**	**361**	**366**	**366**	**370**
Northeast (590)	241	244	249	253	256	255
Northwest (595)	105	105	112	113	110	115

* Standard deviations vary significantly across regions, decreasing as the size of the region increases.

Notes:

All figures are average annual employment levels.

1 Economic region of Toronto (530) closely matches the GTA, except that it excludes the City of Burlington.

2 Figures are year-to-date averages of the first 10 months of 2002.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 33 Ontario, Employment Level by Industry for Economic Regions, 2001

(Thousands)

	All Industries	Agriculture	Resources[1]	Manufacturing
Ontario	**5,963**	**84**	**38**	**1,088**
Region:				
East	**776**	**12**	**3**	**91**
Ottawa (510)	587	9	1	66
Kingston-Pembroke (515)	189	3	2	25
Greater Toronto Area (530)	**2,689**	**9**	**5**	**488**
Central	**1,374**	**29**	**4**	**305**
Muskoka-Kawarthas (520)	157	5	2	31
Kitchener-Waterloo-Barrie (540)	562	9	1	138
Hamilton-Niagara Peninsula (550)	655	15	1	136
Southwest	**757**	**30**	**3**	**162**
London (560)	304	9	1	55
Windsor-Sarnia (570)	305	8	2	79
Stratford-Bruce Peninsula (580)	148	13	1	28
North	**366**	**3**	**23**	**42**
Northeast (590)	256	2	13	27
Northwest (595)	110	1	10	15

Table 33 (continued)

(Thousands)

	Construction	Distributive[2]	Finance, Prof. & Mgmt.[3]	Info., Culture & Recreation[4]
Ontario	**343**	**549**	**1,080**	**299**
Region:				
East	**39**	**52**	**132**	**38**
Ottawa (510)	30	39	105	31
Kingston-Pembroke (515)	9	13	26	7
Greater Toronto Area (530)	**147**	**277**	**623**	**161**
Central	**91**	**121**	**194**	**57**
Muskoka-Kawarthas (520)	15	11	19	6
Kitchener-Waterloo-Barrie (540)	39	50	81	22
Hamilton-Niagara Peninsula (550)	37	60	93	28
Southwest	**45**	**67**	**92**	**30**
London (560)	20	27	45	11
Windsor-Sarnia (570)	15	24	31	16
Stratford-Bruce Peninsula (580)	11	16	16	3
North	**21**	**33**	**40**	**13**
Northeast (590)	15	23	30	10
Northwest (595)	6	10	10	3

Table 33 (continued) Ontario, Employment Level by Industry for Economic Regions, 2001

(Thousands)

	Retail Trade	Personal Services[5]	Education
Ontario	**701**	**596**	**358**
Region:			
East	**91**	**81**	**59**
Ottawa (510)	60	60	42
Kingston-Pembroke (515)	31	22	17
Greater Toronto Area (530)	**308**	**238**	**138**
Central	**162**	**150**	**86**
Muskoka-Kawarthas (520)	17	18	9
Kitchener-Waterloo-Barrie (540)	65	57	35
Hamilton-Niagara Peninsula (550)	80	75	42
Southwest	**87**	**83**	**48**
London (560)	32	33	23
Windsor-Sarnia (570)	35	32	19
Stratford-Bruce Peninsula (580)	20	17	6
North	**52**	**43**	**27**
Northeast (590)	38	29	19
Northwest (595)	13	14	8

Table 33 (continued)

(Thousands)

	Health & Soc. Assistance	Public Administration
Ontario	**553**	**275**
Region:		
East	**81**	**97**
Ottawa (510)	59	85
Kingston-Pembroke (515)	22	13
Greater Toronto Area (530)	**209**	**84**
Central	**128**	**49**
Muskoka-Kawarthas (520)	18	7
Kitchener-Waterloo-Barrie (540)	46	19
Hamilton-Niagara Peninsula (550)	63	23
Southwest	**85**	**24**
London (560)	38	10
Windsor-Sarnia (570)	33	10
Stratford-Bruce Peninsula (580)	14	3
North	**50**	**20**
Northeast (590)	35	15
Northwest (595)	15	6

All figures are average annual employment levels
Sub-regional figures may not add up to regional totals due to rounding
Employment numbers under 1,500 are suppressed because they are statistically unreliable
See standard deviation and GTA note for Table 32
Industrial groupings based on North American Industry Classification System (NAICS)

Notes

1 Includes Forestry, Fishing, Mining, Oil and Gas

2 Includes Transportation and Warehousing, Utilities and Wholesale Trade

3 Includes Finance, Insurance, Real Estate and Leasing, Management of Companies, Administrative and Support Services, and Professional, Scientific and Technical Services

4 Information, Culture and Recreation includes industries such as Publishing, Motion Picture and Sound Recording, Broadcasting and Telecommunications, Information Services and Data Processing Services, Performing Arts, Spectator Sports and Related Industries, Heritage Institutions and Amusement, Gambling and Recreation

5 Includes Accommodation and Food Services and Other Services (such as Repair and Maintenance, Personal and Laundry, Religious, Grant-making, Civic, Professional and Similar Organizations)

Sources Statistics Canada and Ontario Ministry of Finance

Ontario Economic Regions[1]	
East	
Ottawa (510)	The united counties of Stormont, Dundas and Glengarry, Prescott and Russell, Leeds and Grenville, the county of Lanark and the Ottawa Division
Kingston-Pembroke (515)	The counties of Lennox and Addington, Hastings, Renfrew and Frontenac and the Prince Edward Division
Central	
Muskoka-Kawarthas (520)	The counties of Northumberland, Peterborough, Haliburton, the Muskoka District Municipality and the Kawartha Lakes Division
Kitchener-Waterloo-Barrie (540)	The counties of Dufferin, Wellington and Simcoe and the Waterloo Regional Municipality
Hamilton-Niagara Peninsula (550)	The county of Brant, the Regional Municipalities of Niagara, Haldimand-Norfolk, the Hamilton Division and the City of Burlington in Halton Regional Municipality
Greater Toronto Area[2]	
Toronto (530)	Toronto Division, the Regional Municipalities of Durham, York, Peel and Halton (excluding the City of Burlington)
Southwest	
London (560)	The counties of Oxford, Elgin and Middlesex
Windsor-Sarnia (570)	The counties of Lambton and Essex and the Chatham-Kent Division
Stratford-Bruce Peninsula (580)	The counties of Perth, Huron, Bruce and Grey
North	
Northeast (590)	The districts of Nipissing, Parry Sound, Manitoulin, Sudbury, Timiskaming, Cochrane, Algoma and the Greater Sudbury Division
Northwest (595)	The districts of Thunder Bay, Rainy River and Kenora

Notes:
1. As defined by Statistics Canada, *Standard Geographical Classification SGC 2001*.
2. Economic Region 530 closely matches the GTA, except that it excludes the City of Burlington.